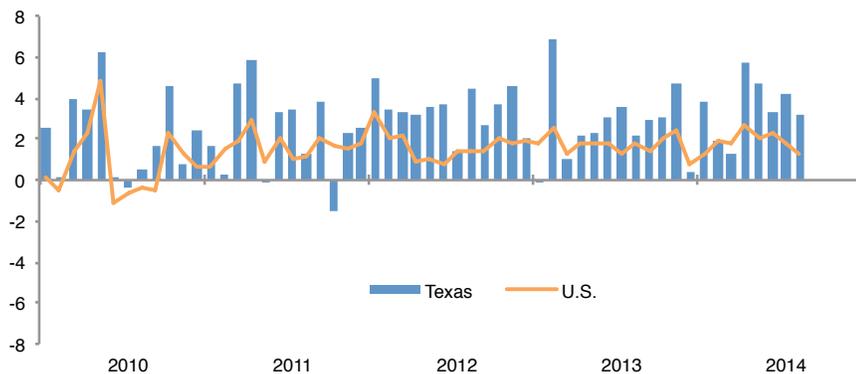


**Summary** The Texas economy continues to expand, with employment growing at a 3.2 percent annual rate in August. Texas existing-home sales increased in August, while single-family permits and housing starts declined. Texas exports edged up in July. Manufacturing activity in September rose at a faster rate than in August, according to the Texas Manufacturing Outlook Survey.

## Employment Growth

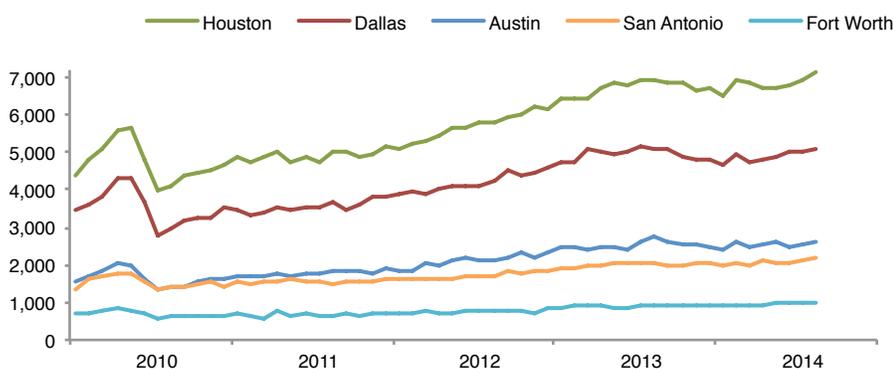
Month-over-month percent change, annualized



- ▶ Texas gained 30,700 jobs in August after adding 39,700 jobs in July. Current Texas employment stands at 11.6 million, according to the payroll survey (CES).
- ▶ The Texas unemployment rate rose to 5.3 percent in August. The Texas rate continues to be lower than the U.S. rate, which fell to 6.1 percent in August.

## Existing-Home Sales

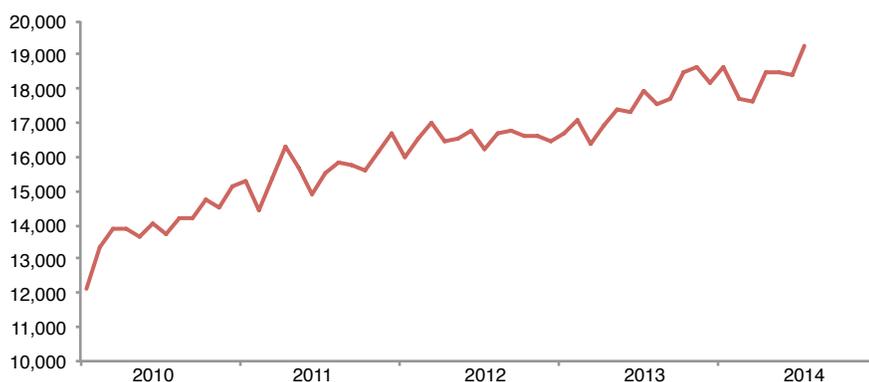
Existing-home sales, seasonally adjusted



- ▶ Texas existing-home sales increased 1.8 percent in August and are up 1.5 percent year over year. Sales in all the major metro areas increased from July levels.
- ▶ Single-family housing construction permits fell 3.9 percent in August after rising 2 percent in July and are up 6.8 percent year over year. Texas housing starts, which include single-family and multifamily starts, declined 3 percent in August after surging 41.6 percent in July and are up 32.1 percent from last year.
- ▶ Home inventories held steady at 3.6 months of available supply in August, below their year-ago level of 3.9 months.

## Monthly Texas Exports

Real 2000 dollars (millions)



- ▶ Monthly Texas exports rose 4.5 percent from June to July after falling 0.2 percent from May to June. July exports were 7.6 percent higher than year-earlier levels.

### Crude Oil Prices



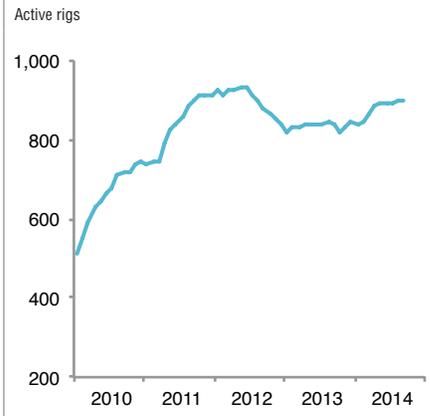
▶ The West Texas Intermediate crude oil price fell to \$93.03 per barrel in September and was down 12.4 percent year over year.

### Natural Gas Prices



▶ Natural gas prices edged up to \$3.92 per million Btu in September, a 1 percent increase from the August level. The price was 8.3 percent higher than in September 2013.

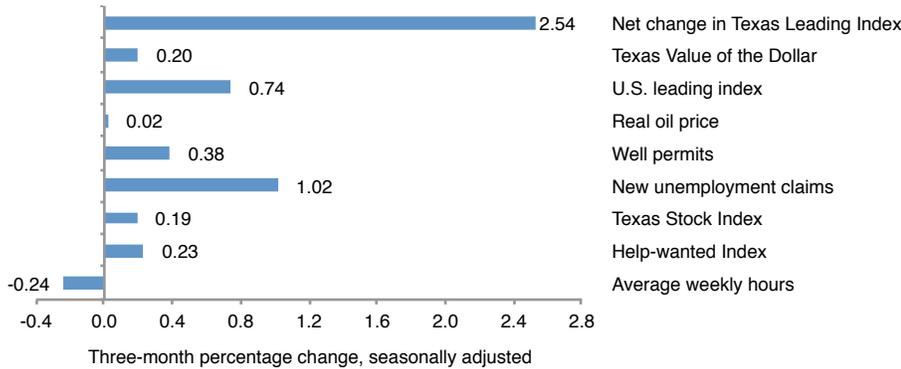
### Texas Rig Count



▶ The Texas rig count rose to 902 in September from 900 in August and was up 7.8 percent year over year.

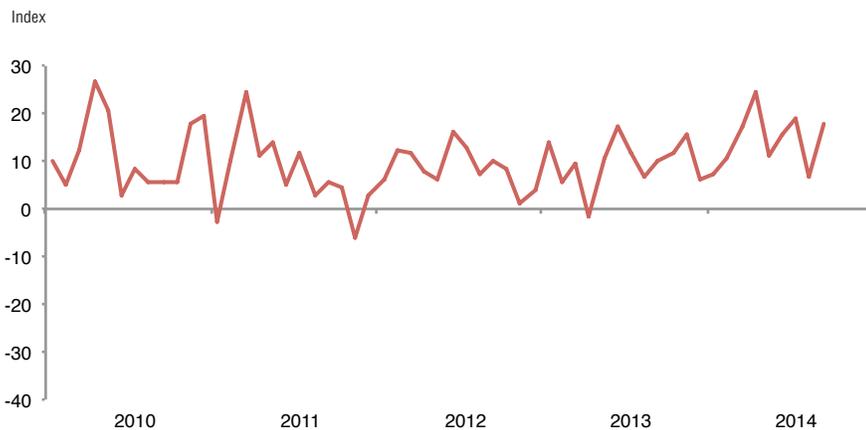
### Texas Leading Index with Components

Month-over-month percent change, annualized



▶ The Texas Leading Index, which uses key economic indicators to forecast employment growth, rose 2.5 percent from May to July, and nearly all components rose during the period.

### Production Index –Texas Manufacturing



▶ Texas factory activity increased again in September, according to business executives responding to the Texas Manufacturing Outlook Survey. The production index, a key measure of state manufacturing conditions, rose markedly from 6.8 to 17.6, indicating output grew at a faster pace than in August.

▶ The Dallas Fed conducts the monthly Texas Manufacturing Outlook Survey to obtain a timely assessment of the state's factory activity.

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

SOURCES: **Employment:** Bureau of Labor Statistics' Current Employment Statistics (CES); Texas Workforce Commission; seasonal and other adjustments by Federal Reserve Bank of Dallas; **Housing:** Multiple Listing Service; U.S. Census Bureau; Bank of Tokyo-Mitsubishi UFJ. All housing data are seasonally adjusted; **Exports:** U.S. Census Bureau; World Institute for Strategic Economic Research; seasonal and other adjustments by Federal Reserve Bank of Dallas; **Energy:** *Wall Street Journal*; Baker Hughes; **Texas Leading Index:** Federal Reserve Bank of Dallas. Data are seasonally adjusted; **Texas Manufacturing Production Index:** Federal Reserve Bank of Dallas. Data are seasonally adjusted.

Questions can be addressed to Amy Jordan at amy.jordan@dal.frb.org. Texas Economic Indicators is released on the first Wednesday of every month and can be found online at [www.dallasfed.org/research/indicators/index.cfm](http://www.dallasfed.org/research/indicators/index.cfm).