

ECONOMIC INDICATORS*	THIS YEAR June 2017	LAST YEAR June 2016	% CHANGE 2016 - 2017
Retail Sales (\$000's - Per June sales tax rebate)	\$432,950,450	\$438,252,239	-1.2%
Retail Sales (\$000's - 2nd Quarter)	\$1,359,975,788	\$1,443,740,508	-5.8%
Retail Sales (\$000's - Year-To-Date)	\$2,827,742,558	\$2,986,824,124	-5.3%
Dollars Spent on Auto Purchases (\$000's - June)	\$139,335,801	\$149,238,097	-6.6%
Dollars Spent on Auto Purchases (\$000's - 2nd Qtr)	\$427,382,997	\$447,014,440	-4.4%
Dollars Spent on Auto Purchases (\$000's - YTD)	\$811,429,961	\$863,364,648	-6.0%
Lodging Tax Receipts (June)	\$282,049	\$328,482	-14.1%
Lodging Tax Receipts (2nd Quarter)	\$935,481	\$973,142	-3.9%
Lodging Tax Receipts (YTD)	\$1,937,363	\$2,024,213	-4.3%
Airline Boardings (June)	32,623	35,620	-8.4%
Airline Boardings (2nd Qtr)	89,958	95,192	-5.5%
Airline Boardings (YTD)	170,897	180,102	-5.1%
Value All Construction Permits (June)	\$46,754,386	\$148,569,326	-68.5%
Value All Construction Permits (2nd Qtr)	\$148,280,587	\$313,698,191	-52.7%
Value All Construction Permits (YTD)	\$318,454,467	\$464,876,460	-31.5%
New Home Permits (June)	139	147	-5.4%
New Home Permits (2nd Qtr)	379	393	-3.6%
New Home Permits (YTD)	705	737	-4.3%
Home Sales (June)	307	245	25.3%
Home Sales (2nd Qtr)	816	637	28.1%
Home Sales (YTD)	1,398	1,205	16.0%
Average Home Sale Price (June)	\$160,381	\$149,718	7.1%
Average Home Sale Price (2nd Qtr)	\$154,961	\$146,335	5.9%
Average Home Sale Price (YTD)	\$153,461	\$140,805	9.0%
Dollar Volume Residential Real Estate Sales (June)	\$49,236,853	\$37,557,382	31.1%
Dollar Volume Residential Real Estate Sales (2nd Qtr)	\$126,700,932	\$95,582,941	32.6%
Dollar Volume Residential Real Estate Sales (YTD)	\$215,558,880	\$174,303,497	23.7%
Hidalgo Bridge Crossings (June)	436,098	454,341	-4.0%
Hidalgo Bridge Crossings (2nd Qtr)	1,335,733	1,405,462	-5.0%
Hidalgo Bridge Crossings (YTD)	2,687,995	2,763,213	-2.7%
Peso Exchange Rate (June)	18.17	18.68	-2.7%
Employment			
Wage & Salary Employment (June)	258,600	252,500	2.4%
Wage & Salary Employment (2nd Qtr Avg)	258,735	253,435	2.1%
Wage & Salary Employment (YTD Avg)	257,665	252,235	2.2%
Unemployment Rate (June)	5.7	5.8	-1.7%
Unemployment Rate (2nd Qtr Avg)	5.6	5.3	5.7%
Unemployment Rate (YTD Average)	5.8	5.2	11.2%
INDEX - June (Base=100 January 1996)	185.5	188.1	-1.4%

* With the exception of the average monthly home sale price, all economic indicators expressed in dollar form above are adjusted for inflation by restating prior periods in current dollars

- The McAllen Economic Index moved lower in June for the sixth time in the last seven months, dropping to 185.5 for the month down from 186.0 in May, and down 1.4% from the June 2016 MEI of 188.1. The McAllen Economic Index slipped below its year-ago level in June for the first time in nearly seven years (that last happened in July 2010). The index fell slightly over the course of the quarter as well, posting a modest 1.0% annualized rate of decline.
- The spending indicators continue to weigh on the index with significant year-over-year declines in the second quarter and first half of the year in general spending and auto spending. The travel & tourism numbers are down as well, and construction is sharply lower compared to huge and record numbers in June, the second quarter, and midyear June 2016 totals. The residential real estate market is just the opposite, however, with impressive increases midway through the year, and the McAllen metro area economy continues to add jobs.
- General spending was flat in 2016, lower in 2016, and continues the downward trend in 2017 with inflation-adjusted spending per second quarter sales tax receipts* down by nearly 6% year-over-year, and the total for the year-to-date down by over 5% compared to the January-June 2016 total, which in turn was down by 3.2% compared to the first six months of the prior year.
- Real auto spending per Hidalgo County motor vehicle sales tax receipts began to decline in the fourth quarter 2016 and has now done so for three consecutive quarters, logging a 4.4% year-over-year decline in the second quarter and a 6% decline through the first half of the year.
- The construction numbers are not actually all that terrible; the declines of 2017 compare only to the monster totals in June, the second quarter, and the first half of 2016, and actually compare generally favorably to most years, and certainly most recent years. The home building numbers are down a bit, but the declines are mild and again, the numbers were sharply higher in 2016.
- Home sales activity is rapidly on the rise, however, with near-record numbers of housing sales at record prices. The monthly number of homes sold surpassed 300 for the first time ever in June; the quarterly and year-to-date totals are the second-highest on record behind the numbers in 2008. The higher prices, however, up by a whopping 9% on average through the first six months of the year, pushed the total real (inflation-adjusted) dollar volume of home sales activity well into record territory for the quarter and midyear.
- Typically general spending and employment do not move in opposite directions for any significant length of time; however, while spending is on the decline the metro area continues to add jobs, at least according to the current numbers (which are subject to revision in early 2018), with year-over-year job growth at 2.4% in June, and averaging 2.1% and 2.2% for the quarter and year-to-date, respectively. The June rate of year-over-year employment growth ranks 8th best among the 26 metro areas in Texas.

* For the cities of McAllen, Edinburg, Mission, and Pharr