

ECONOMIC INDICATORS	THIS YEAR October 2015	LAST YEAR October 2014	% CHANGE 2014 - 2015
Retail Sales (\$000's - October in 1995\$)	\$312,518	\$295,291	5.8%
Retail Sales (\$000's - Year-to-Date)	\$3,231,027	\$3,188,907	1.3%
Dollars Spent on Auto Purchases (\$000's - October) *	\$151,023	\$140,012	7.9%
Dollars Spent on Auto Purchases (\$000's - YTD) *	\$1,341,671	\$1,277,432	5.0%
Lodging Tax Receipts (October)	\$312,892	\$336,955	-7.1%
Lodging Tax Receipts (YTD)	\$3,480,836	\$3,463,433	0.5%
Airline Boardings (October)	31,432	30,716	2.3%
Airline Boardings (YTD)	336,366	326,371	3.1%
Value All Construction Permits (October)	\$53,787,509	\$32,688,739	64.5%
Value All Construction Permits (YTD)	\$404,434,943	\$448,923,544	-9.9%
New Home Permits (October)	106	108	-1.9%
New Home Permits (YTD)	1,129	1,065	6.0%
Home Sales (October)	225	202	11.4%
Home Sales (YTD)	2,201	2,013	9.3%
Average Home Sale Price (October)	\$153,470	\$132,987	15.4%
Average Home Sale Price (YTD Avg)	\$138,517	\$135,255	2.4%
Hidalgo Bridge Crossings (October)	459,385	443,462	3.6%
Hidalgo Bridge Crossings (YTD)	4,471,551	4,363,590	2.5%
Peso/Dollar Exchange Rate (October)	16.57	13.48	22.9%
Employment			
Wage & Salary Employment (October)	252,600	245,400	2.9%
Wage & Salary Employment (YTD Avg)	247,890	241,160	2.8%
Unemployment Rate (October)	4.9	5.0	-2.0%
Unemployment Rate (YTD Average)	4.9	5.8	-16.8%
INDEX - October (Base=100 Jan 1996)	191.2	186.9	2.3%

*Adjusted for Inflation by Re-Stating in Year 1995 Dollars

- We made it, and it's about time! Nearly eight full years later the McAllen Economic Index in October finally reached and surpassed its prior peak of 191.1 achieved way back in January 2008, rising to 191.2 up from 190.5 in September, and up 2.3% from the October 2014 MEI of 186.9. The recession of 2008-2009 was deep (the McAllen Economic Index lost 13.4% of its value over a 22-month period) and the recovery, while quite steady has been a flatter period of growth on the heels of the index trough in November 2009.

- The spending indicators were strong for the month, employment growth continues at an impressive pace, and the housing numbers remain significantly higher compared to year-ago levels. Construction activity was sharply higher in October, while new housing construction was flat compared to October of a year ago but remains higher for the year-to-date.

- Inflation-adjusted general taxable spending per the October sales tax number was up by a hefty 5.8% compared to the October 2014 total. Year-to-date growth remains modest but moved above 1% with the strong October total, and is up by 1.3% compared to the first ten months of 2014. Auto sales activity continues to improve with inflation-adjusted spending on new and used autos up by 8% in October compared to October 2014, which in turn was up by 15% compared to October of the prior year.

- October construction activity was sharply higher for the third straight month with building permit valuations up by 65% compared to October of a year ago. Building activity is one of those sectors of the McAllen metro area economy that has yet to approach pre-recession record levels through the numbers have generally been on the rise in the post-recession years. Permit activity is down by about 10% compared to year-ago levels, but that gap has narrowed a bit after falling behind in the third quarter. New housing construction was on par with year-ago levels (two fewer permits issued in October compared to October 2014), and home building permit activity through October is up by 6% compared to a strong first ten months of a year ago.

- Home sales activity remains impressively higher through October with the number of closed sales up by 11.4% for the month and 9.3% for the year-to-date. The October sales total of 225 is the second-highest on record behind only the 248 sales recorded in October 2006, and the year-to-date total is also the second-highest on record lagging only behind the total through October 2008. Prices are certainly at record levels and even more so in October with the average sale price for the month up by a sharp 15% compared to October of a year ago.

- Even at that, though, the total real (inflation-adjusted) dollar volume of residential real estate market activity continues to lag behind those pre-recession records, but is solidly improved compared to last year, up by 9% compared to the first ten months of 2014.

- Employment growth remains considerably better than statewide averages with job growth of about 3% year-over-year (about 7,200 jobs added); the unemployment rate for the city of McAllen in 2015 remains the lowest since 2007.