

McAllen Area ECONOMIC PULSE

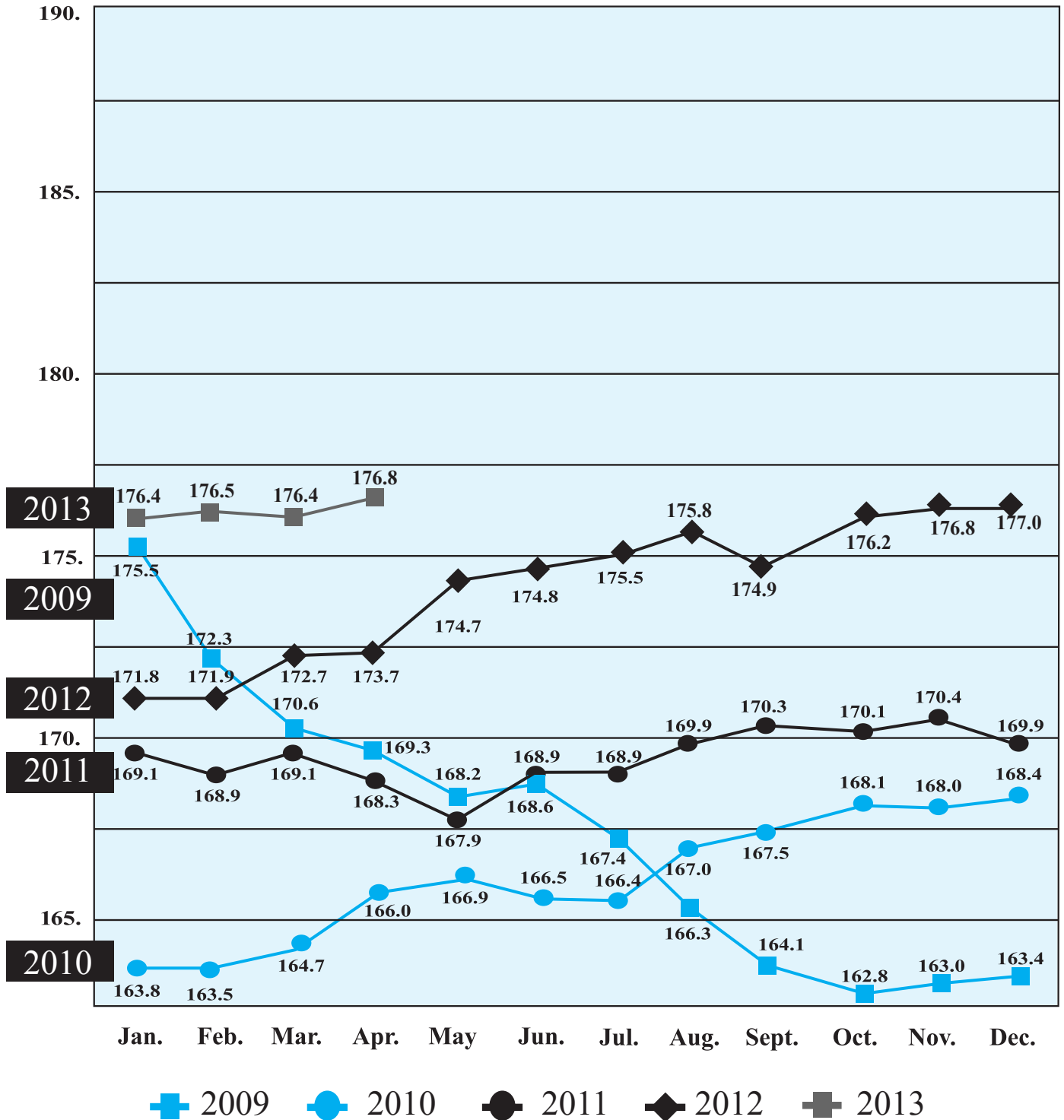
McAllen • Mission • Edinburg • Pharr

April 2013 Economic Pulse

The McAllen Chamber of Commerce Economic Index

INDEX (Base=100 Jan 1996)

The economic indicators on pg. 2 are used to formulate the overall economic pulse.



The McAllen Area Economy

ECONOMIC INDICATORS	THIS YEAR April 2013	LAST YEAR April 2012	% CHANGE 2012 - 2013
Retail Sales (\$000's - April in 1995\$)	\$280,726	\$290,772	-3.5%
Retail Sales (\$000's - Year-To-Date)	\$1,184,519	\$1,170,744	1.2%
Dollars Spent on Auto Purchases (\$000's - April in 1995\$)	\$147,582	\$118,793	24.2%
Dollars Spent on Auto Purchases (\$000's - YTD)	\$499,803	\$450,000	11.1%
Lodging Tax Receipts (April)	\$304,414	\$370,984	-17.9%
Lodging Tax Receipts (YTD)	\$1,304,339	\$1,253,408	4.1%
Airline Boardings (April)	27,938	29,274	-4.6%
Airline Boardings (YTD)	108,211	111,028	-2.5%
Value All Construction Permits (April)	\$29,070,720	\$35,768,296	-18.7%
Value All Construction Permits (YTD)	\$134,050,879	\$156,067,813	-14.1%
New Home Permits (April)	112	107	4.7%
New Home Permits (YTD)	355	382	-7.1%
Home Sales (April)	206	168	22.6%
Home Sales (YTD)	731	644	13.5%
Average Home Sale Price (April)	\$127,249	\$125,883	1.1%
Average Home Sale Price (YTD)	\$121,970	\$124,349	-1.9%
Hidalgo Bridge Crossings (April)	435,679	454,709	-4.2%
Hidalgo Bridge Crossings (YTD)	1,725,429	1,753,515	-1.6%
Peso/Dollar Exchange Rate (April)	12.55	13.45	-6.7%
Employment			
Wage & Salary Employment (April)	233,500	229,500	1.7%
Wage & Salary Employment (YTD Avg)	232,825	228,450	1.9%
Unemployment Rate	10.5	10.3	1.9%
Unemployment Rate	10.9	11.1	-1.6%
INDEX - April (Base=100 Jan 1996)	176.8	172.9	2.2%

* Adjusted for inflation by restating in year 1995 dollars

In January 2004 the Texas Comptroller's Office began tracking "Manifiestos" -- requests for sales tax refunds on items purchased by Mexican citizens or for export into Mexico.

	Export Sales per Manifiestos	Total Retail Sales	Export Sales of Total Sales
April 2013	\$530,224	\$400,681	7.5%
YTD 2013	\$116,153	\$1,686,413	6.9%

The April 2013 McAllen Economic Index posted its first month-to-month increase in four months rising to 176.8, up from the March MEI of 176.4, and up 2.2% from the April 2012 index of 172.9. Weaker retail spending and construction activity were offset by strong auto sales, sharp improvement in the residential real estate market, and continued modest employment growth.

Inflation-adjusted general taxable spending was down by 3.5% in April compared to April of a year ago, and the year-to-date real spending total is up a modest 1.2% compared to the first four months of 2012.

Payroll employment was higher for the month, adding an estimated 4,000 jobs compared to April of a year ago, a year-over-year growth rate of about 1.7%. The unemployment rate had been declining steadily since last fall, but that decline leveled in April, and the monthly unemployment rate was actually slightly higher compared to April of a year ago.

Auto sales were sharply higher in April with inflation-adjusted spending on new and used automobiles up by over 24% compared to the April 2012 total, and in fact the April auto sales total was the highest monthly total on record by far. For the year-to-date, real auto spending is up by over 11% compared to the January-April 2012 total and is also a record for the first four months of the year.

Construction in the metro area continues to trend lower in 2013 (for the second straight year) with the value of all building permits issued in McAllen, Edinburg, Mission, and Pharr down by 18.7% compared to April of a year ago. For the year-to-date, the valuation of construction projects is down by about 14%.

Housing construction posted a modest year-over-year improvement in April, however, with the number of new single-family residence permits issued up by 4.7% compared to April of a year ago. The year-to-date total remains in negative territory, however, with the number of new housing construction permits down by just over 7%.

The residential real estate market was improved over April of a year ago with the number of closed sales up by over 22% year-over-year. For the year-to-date the number of homes sold is up by a solid 13.5% compared to the first four months of 2012. The average price was up only slightly in April (compared to April of a year ago), and the average for the year-to-date is down by nearly 2%. The inflation-adjusted total dollar volume of activity was up sharply for the month, some 22% improved over April of last year, and is up nearly 10% for the year-to-date.

Key Points