

McAllen Area ECONOMIC PULSE

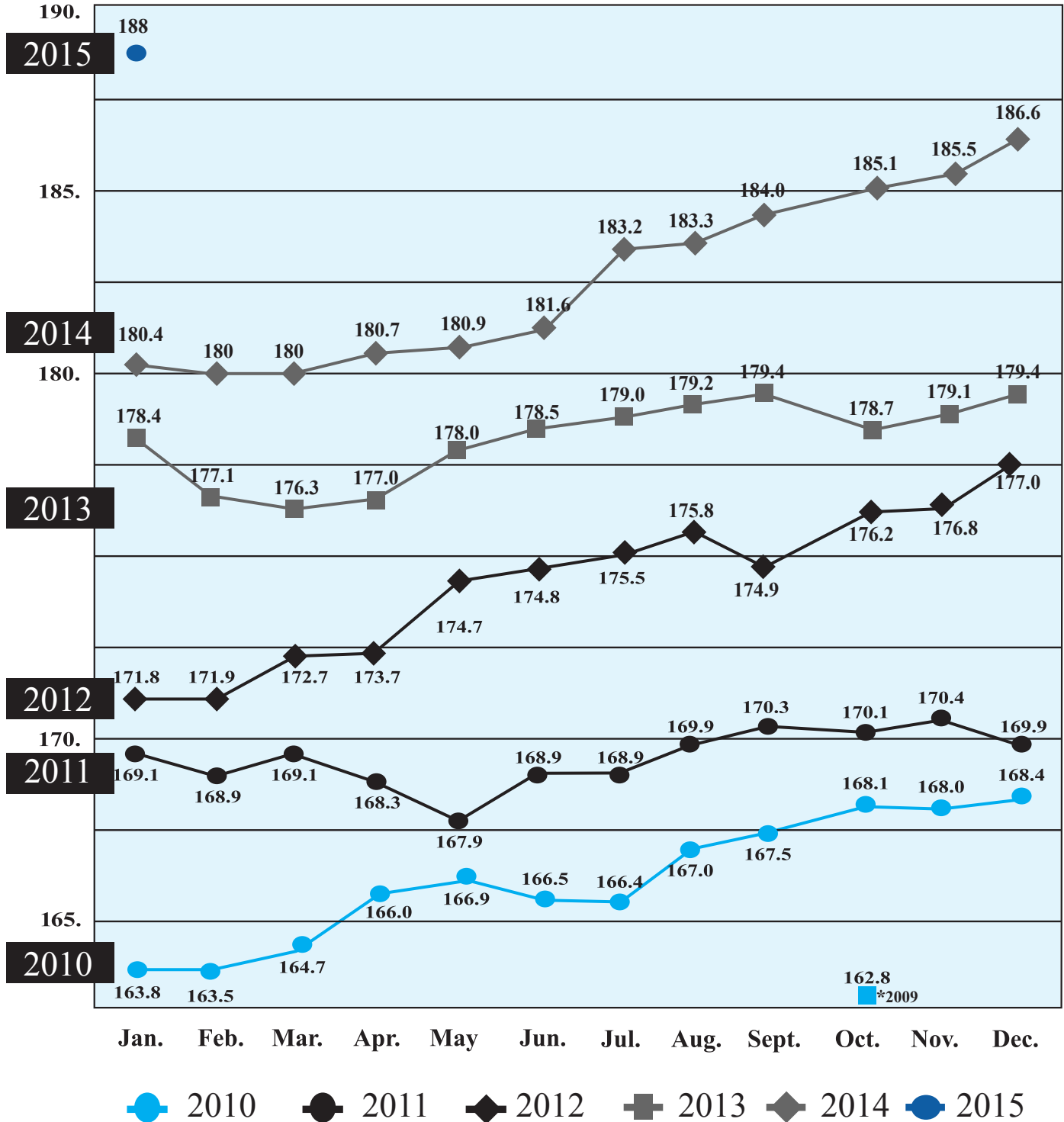
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January 2015 Economic Pulse

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.



ECONOMIC INDICATORS	THIS YEAR January 2015	LAST YEAR January 2014	% CHANGE 2014 - 2015
Retail Sales (\$000's - January in 1995\$)*	\$318,346	\$308,590	3.2%
Retail Sales (\$000's - Year-to-Date)*	\$318,346	\$308,590	3.2%
Dollars Spent on Auto Purchases (\$000's - Jan. in 1995\$)	\$138,282	\$126,715	9.1%
Dollars Spent on Auto Purchases (\$000's - YTD)	\$138,282	\$126,715	9.1%
Lodging Tax Receipts (January)	\$434,915	\$387,831	12.1%
Lodging Tax Receipts (YTD)	\$434,915	\$387,831	12.1%
Airline Boardings (January)	30,293	27,455	10.3%
Airline Boardings (YTD)	30,293	27,455	10.3%
Value All Construction Permits (January)	\$32,732,826	\$30,999,747	5.6%
Value All Construction Permits (YTD)	\$32,732,826	\$30,999,747	5.6%
New Home Permits (January)	90	88	2.3%
New Home Permits (YTD)	90	88	2.3%
Home Sales (January)	146	140	4.3%
Home Sales (YTD)	146	140	4.3%
Average Home Sale Price (January)	\$133,195	\$128,741	3.5%
Average Home Sale Price (YTD Avg)	\$133,195	\$128,741	3.5%
Dollar Volume of Home Sales (January in 1995\$)	\$12,223,878	\$11,639,356	5.0%
Dollar Volume of Home Sales (YTD)	\$12,223,878	\$11,639,356	5.0%
Hidalgo Bridge Crossings (January)	422,970	430,685	-1.8%
Hidalgo Bridge Crossings (YTD)	422,970	430,685	-1.8%
Peso Exchange Rate (January)	14.15	13.85	2.2%
Employment			
Wage & Salary Employment (January)	246,000	238,700	3.1%
Wage & Salary Employment (YTD Avg)	246,000	238,700	3.1%
Unemployment Rate (January)	8.3	10.1	-17.8%
Unemployment Rate (YTD Average)	8.3	10.1	-17.8%
INDEX - December (Base=100 Jan 1996)	188.0	181.2	3.8%

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

- The Texas Workforce Commission issued revised employment data for McAllen and other Texas metro areas in March, and the results were highly favorable to McAllen, indicating the creation of thousands more jobs than were captured in the original employment estimates. Monthly employment estimates were revised upward dating back to the mid-1990s, with huge upward revisions in 2013 and 2014.

- Monthly employment estimates in 2013 were revised upward by an average 2,500 jobs in 2013, and by year-end that number had grown to 5,000 jobs (the upward revision to December 2013 compared to the original payroll employment estimate for that month). In 2014, employment was revised upward by an average 3,600 jobs, and was revised upward by 3,500 jobs at year-end. The implication is clear - stronger job growth over a long period of time, and higher numbers of actual jobs that exist and were created in the McAllen metro area economy.

- The year 2015 begins on a positive note as well with a modest increase in the McAllen Economic Index which improved to 288.0 compared to the revised (per employment data revisions) December 2014 MEI of 187.7, and up a solid 3.8% from the January 2014 index of 181.2. Every single indicators on the table of index components was improved in January compared to January of a year ago.

- General real (inflation-adjusted) spending was up by 3.2%, while real auto spending was up by over 9%. The travel and tourism numbers are off to a good start as well with airline activity up by over 10% and hotel/motel tax receipts up by over 12% compared to January of a year ago.

- Construction and home building were up modestly compared to year-ago levels, as were the number of existing home sales and the real total dollar volume of those sales. The January 2015 monthly average housing price was up by a healthy 3.5% compared to January of a year ago.

- The post-recession McAllen economy has added about 27,000 jobs since late 2009 and early 2010, and job creation continues in early 2015 with the January payroll employment estimate up by 3.1% compared to January 2014, reflecting the addition of 7,300 jobs over the last 12 months.