

# McAllen Area ECONOMIC PULSE

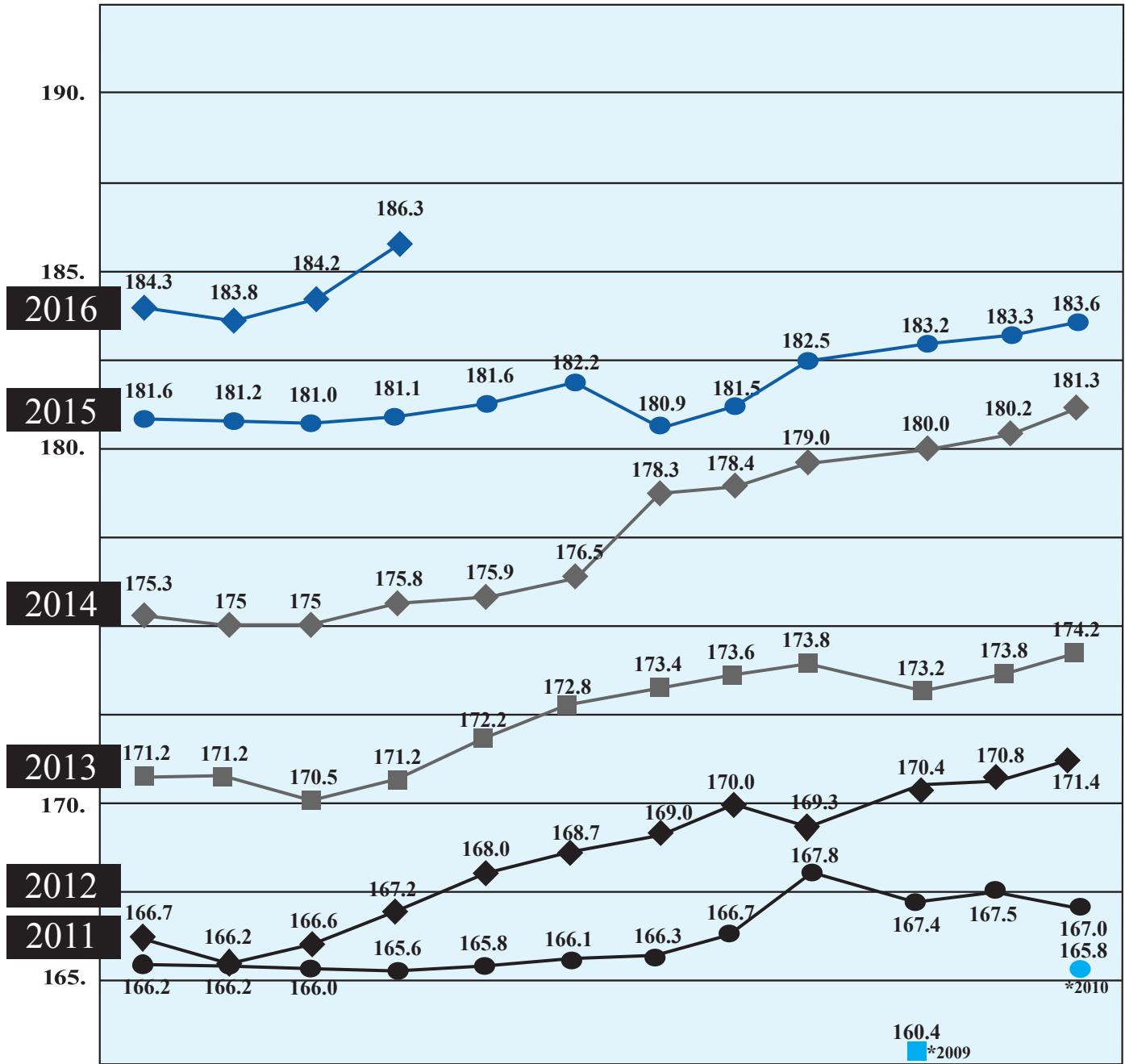
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## April 2016 Economic Pulse

### 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.



● 2011    ◆ 2012    ■ 2013    ◆ 2014    ● 2015    ◆ 2016

ECONOMIC INDICATORS*	THIS YEAR April 2016	LAST YEAR April 2015	% CHANGE 2015 - 2016
Retail Sales (April)	\$429,240,761	\$433,465,604	-1.0%
Retail Sales (Year to Date)	\$1,931,320,218	\$1,994,292,592	-3.2%
Dollars Spent on Auto Purchases (April)	\$157,038,083	\$156,926,237	0.1%
Dollars Spent on Auto Purchases (YTD)	\$581,629,986	\$563,408,871	3.2%
Lodging Tax Receipts (April)	\$317,710	\$352,284	-9.8%
Lodging Tax Receipts (YTD)	\$1,342,022	\$1,521,630	-11.8%
Airline Boardings (April)	29,240	32,061	-8.8%
Airline Boardings (YTD)	114,150	122,503	-6.8%
Value All Construction Permits (April)	\$111,414,338	\$36,153,460	208.2%
Value All Construction Permits (YTD)	\$260,628,687	\$140,145,612	86.0%
New Home Permits (April)	119	91	30.8%
New Home Permits (YTD)	463	397	16.6%
Home Sales (April)	232	214	8.4%
Home Sales (YTD)	800	783	2.2%
Average Home Sale Price (April)	\$145,693	\$133,779	8.9%
Average Home Sale Price (YTD Avg)	\$137,820	\$128,694	7.1%
Dollar Volume Of Home Sales (April)	\$33,800,824	\$29,168,056	15.9%
Dollar Volume of Home Sales (YTD)	\$110,451,886	\$102,912,351	7.3%
Hidalgo Bridge Crossings (April)	468,265	445,790	5.0%
Hidalgo Bridge Crossings (YTD)	1,826,016	1,720,984	6.1%
Peso/Dollar Exchange Rate (April)	17.49	14.18	23.3%
<b>Employment</b>			
Wage & Salary Employment (April)	255,700	248,400	2.9%
Wage & Salary Employment (YTD Avg)	254,125	247,375	2.7%
Unemployment Rate (April)	4.5	4.5	0.0%
Unemployment Rate (YTD Average)	4.6	4.8	-5.7%
INDEX - April (Base=100 January 1996)	186.3	181.1	2.9%

\* 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

## Key Points

- The McAllen Economic Index shot upward in April posting its second-largest month-to-month gain on record. The index increased by over two full points to 186.3 up from 184.2 in March, and up 2.9% from the April 2015 MEI of 181.1. That brings the index to within .3% of its all-time high of 186.8 from way back in January 2008.

- The April building permit total is clearly the driving force behind the sharp April increase in the index; the value of all building permits issued for the month marks only the second time since the recession of 2008-9 that the monthly permit valuation exceeded \$100 million dollars (\$75 million of which was in McAllen), and was over three times higher than the April 2015 total. The total for the year-to-date is the highest for the first four months of the year since 2008, and is up by 86% compared to the January-April 2015 total.

- New housing construction was also sharply higher in April with the number of new single-family residence building permits across the metro area up by 30% compared to April of a year ago. The year-to-date total is the highest since 2010, and is up by nearly 17% compared to the first four months of a year ago.

- The number of existing homes sold was also the highest since 2010, up by over 8% for the month and moving back into positive year-over-year territory through April, up by about 2% compared to the first four months of a year ago. The average price of those sales was up by a sharp 9% in April compared to April of a year ago, and is up by 7% for the year-to-date. The result of higher sales and prices is an inflation-adjusted total dollar volume of residential sales activity that is up by over 7% year-to-date through April (and by 16% for the month of April) and is the highest since 2008.

- The spending indicators continue to register some weakness with real taxable spending per April sales tax receipts down by 1% compared to April of a year ago, and down by 3.2% through April compared to the first four months of 2015. After a sharp March increase real auto spending slowed in April with spending on new and used vehicles flat compared to April of a year ago, but still up by 3.2% (and at a record level) for the year-to-date.

- And finally, the metro area continues to add jobs at a steady and respectable clip with payroll employment up by nearly 3% in April compared to April of a year ago (about 7,300 jobs added over the last 12 months). The McAllen city unemployment rate for April was unchanged compared to April 2015 at 4.5%, and the 4.6% unemployment rate average through April is down from 4.8% through the first four months of 2015.