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## Borderplex Business Barometer, Volume 3, Number 12

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# BORDERPLEX BUSINESS BAROMETER

**December 2019**

**Border Region Modeling Project**

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**[For more information about the Border Region Modeling Project \(click here\)](#)**

*Border Commerce & Economics*

**Borderplex Business Barometer, Volume 3, Number 12**

**All is Calm... All is Bright... Right?**

The Federal Reserve Bank of Dallas El Paso Metropolitan Business Cycle Index continued ascending in October. Contributing to the upward climb are expanding public sector, transportation, and health services payrolls. Business cycle buoyancy has helped reduce economic strains. The El Paso Household Economic Stress Index declined to 0.4 in November, the lowest reading for that gauge since May 2008.

The yield curve is still relatively flat by historical standards. Minor dips in the curve occur for 3-month and 3-year instrument yields. Returns on longer-term bonds are all higher for each rung on the term structure ladder. Long-term rates in November were substantially below the yields tallied for the same month in 2018.

El Paso unemployment remained at 3.7 percent in October, a 20 basis point year-over-year decline. That marked 32 consecutive months of the joblessness rate remaining below 5.0 percent. More people working reduces demands on social safety net programs. Supplemental Nutrition Assistance Program (SNAP) enrollments for El Paso County reached a yearly low of 156,129 in November.

The median price for single-family housing units in El Paso rose by \$8,000 on a year-over-year basis in November. Through the first three weeks of December, fixed average mortgage rates for 15-, 20-, and 30-years all remained below 4 percent. During the same period in 2018, fixed mortgage rates were all above 4 percent. Months of housing inventory remained below 4 for the 13th straight month.

El Paso unleaded gasoline prices averaged \$2.32 per gallon in November. Gasoline stocks held steady in the region, with November prices nearly 8 cents below year-ago levels in 2018. Holiday travel may reverse that pattern in December.

At 5.0 percent, the Las Cruces unemployment rate remained below year-ago levels for a second consecutive month. Jobless rates that low have not been observed since 2008. The civilian labor force and employment both reached all-time highs in October. Reflective of more favorable labor market conditions, Las Cruces SNAP enrollments were below year-ago levels for an eleventh straight month in

October.

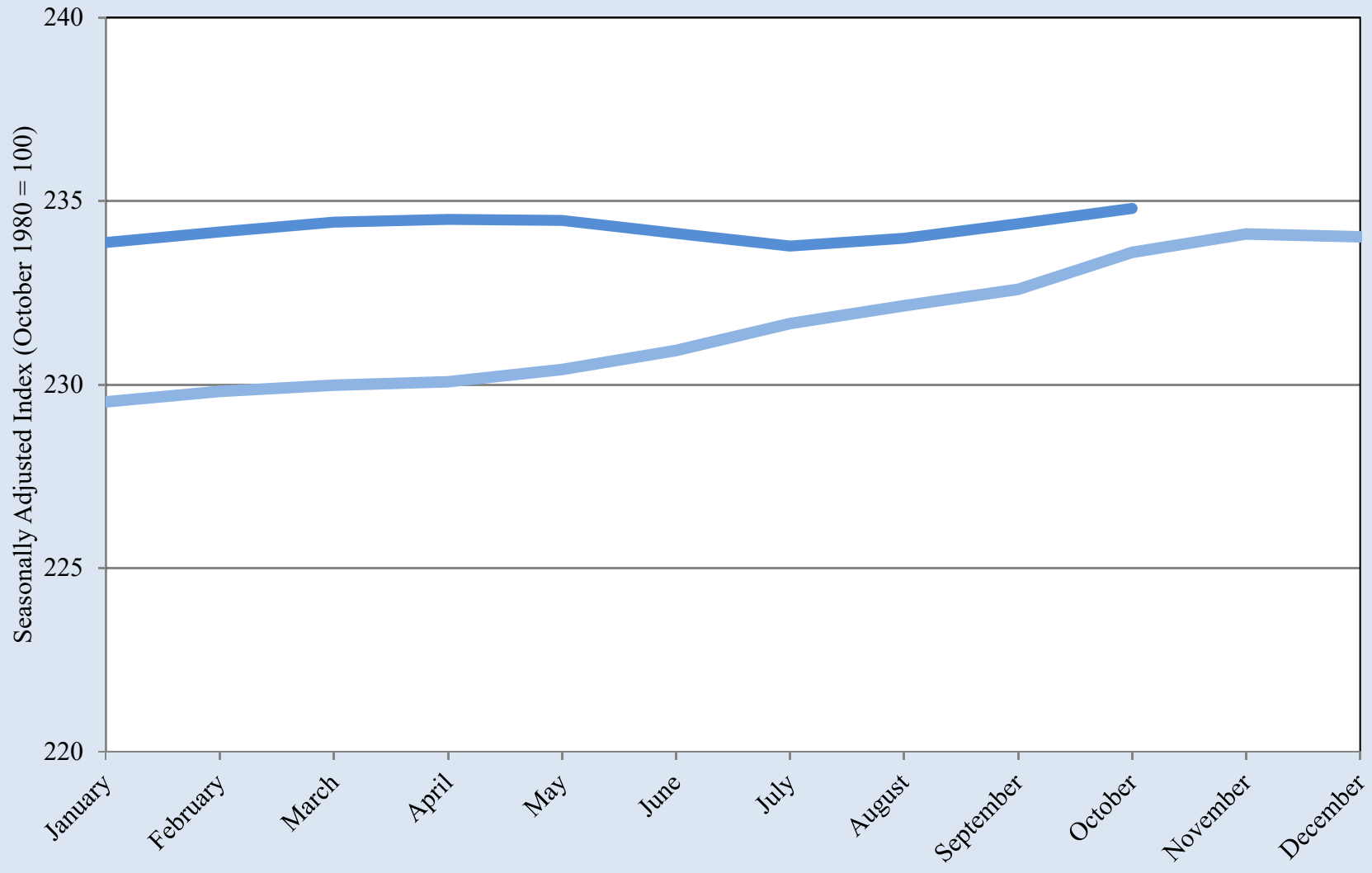
The peso-per-dollar exchange rate held steady in November. In spite of that, the gap between the exchange rate and the Border Region Modeling Project restaurant price ratio remains relatively large. Historically, that means that the peso could appreciate against the dollar. The internet brand name medicine price ratio held steady in November. These prices do not include the cost of doctor appointments in the United States, or shipping and handling costs for medicines ordered from Mexico.

Although the gaps have narrowed, October wait times remained at least 10 percent higher than year-ago levels at all three El Paso Bridges. While trade volumes increased, the number of trucks traversing the bridges declined in October. That means that transport companies are filling cargo bays with larger loads before sending trucks to join the queues. Available data indicate that manufacturing orders and construction volumes have increased in Chihuahua State throughout 2019.



## El Paso Metropolitan Business Cycle Index

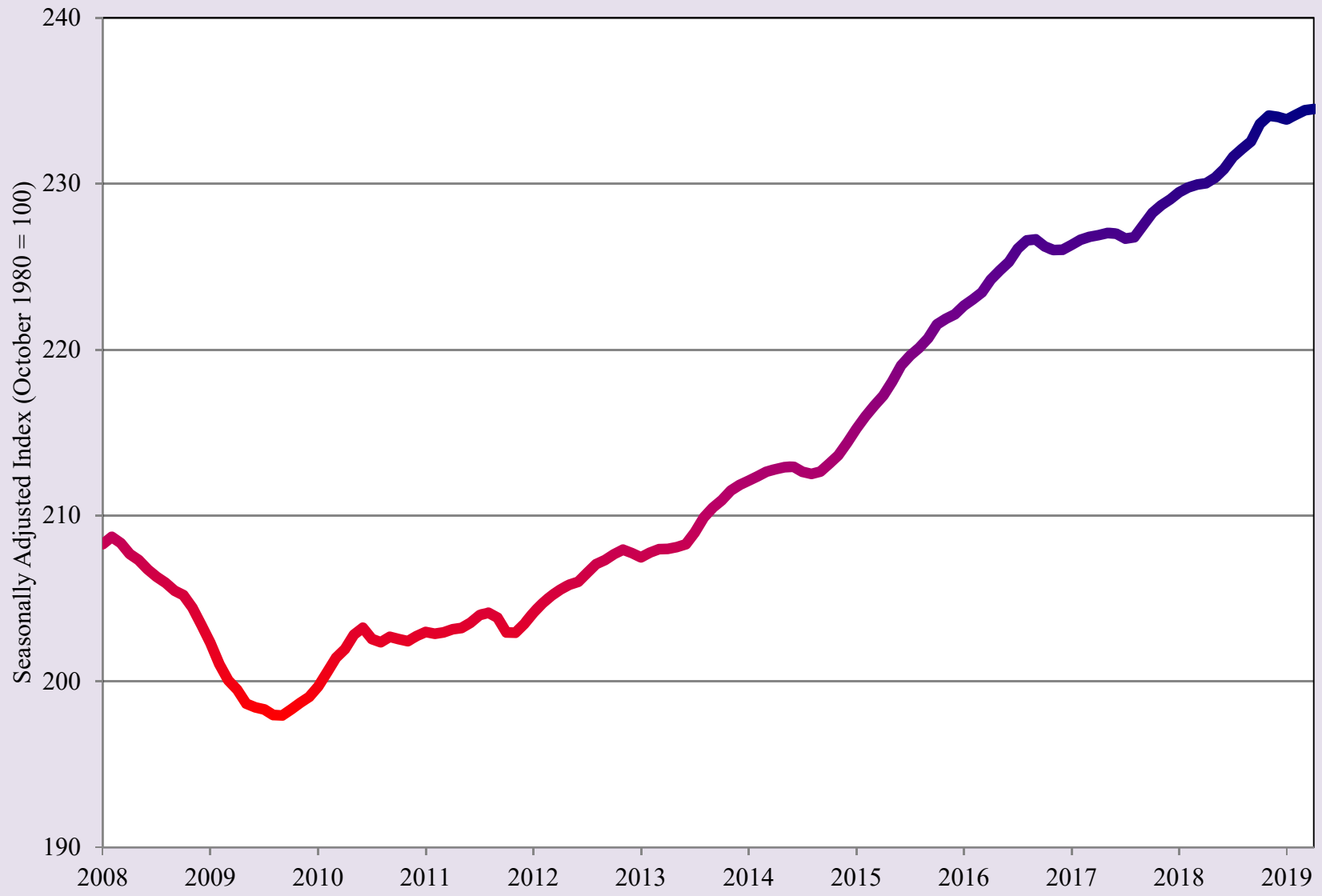
— 2018 — 2019



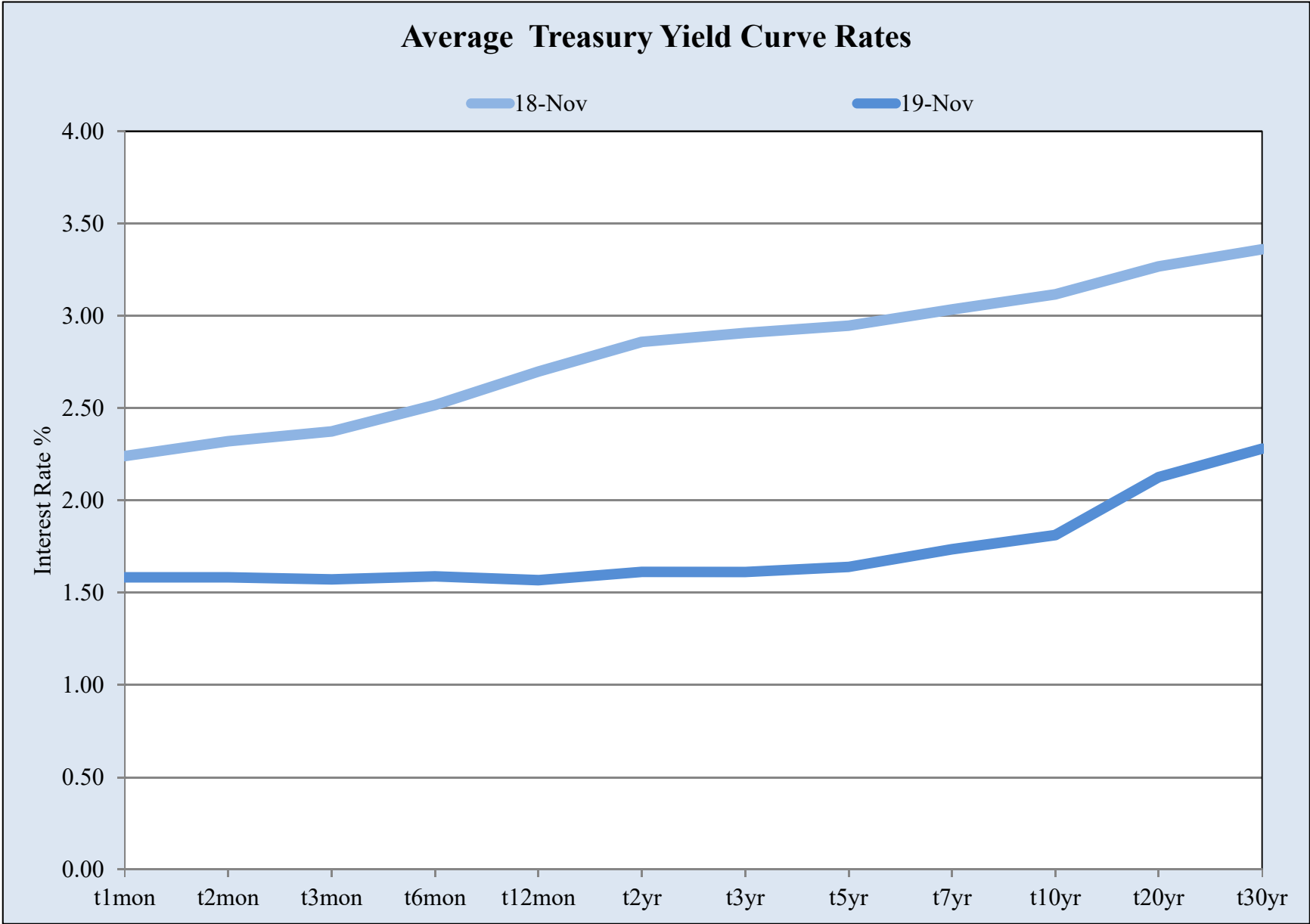
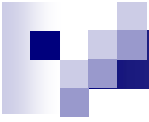
Source: Federal Reserve Bank of Dallas



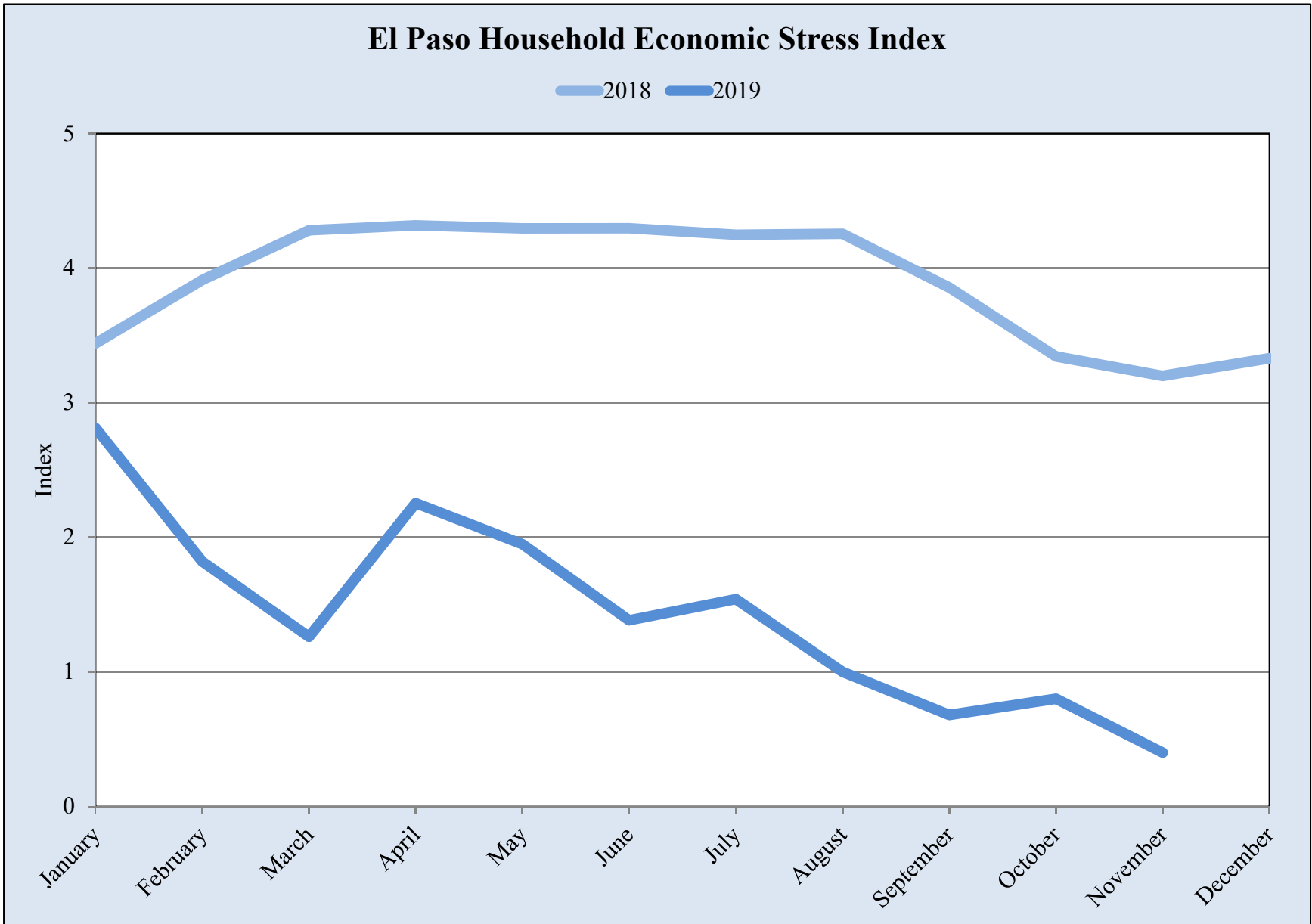
## El Paso Metropolitan Business Cycle Index



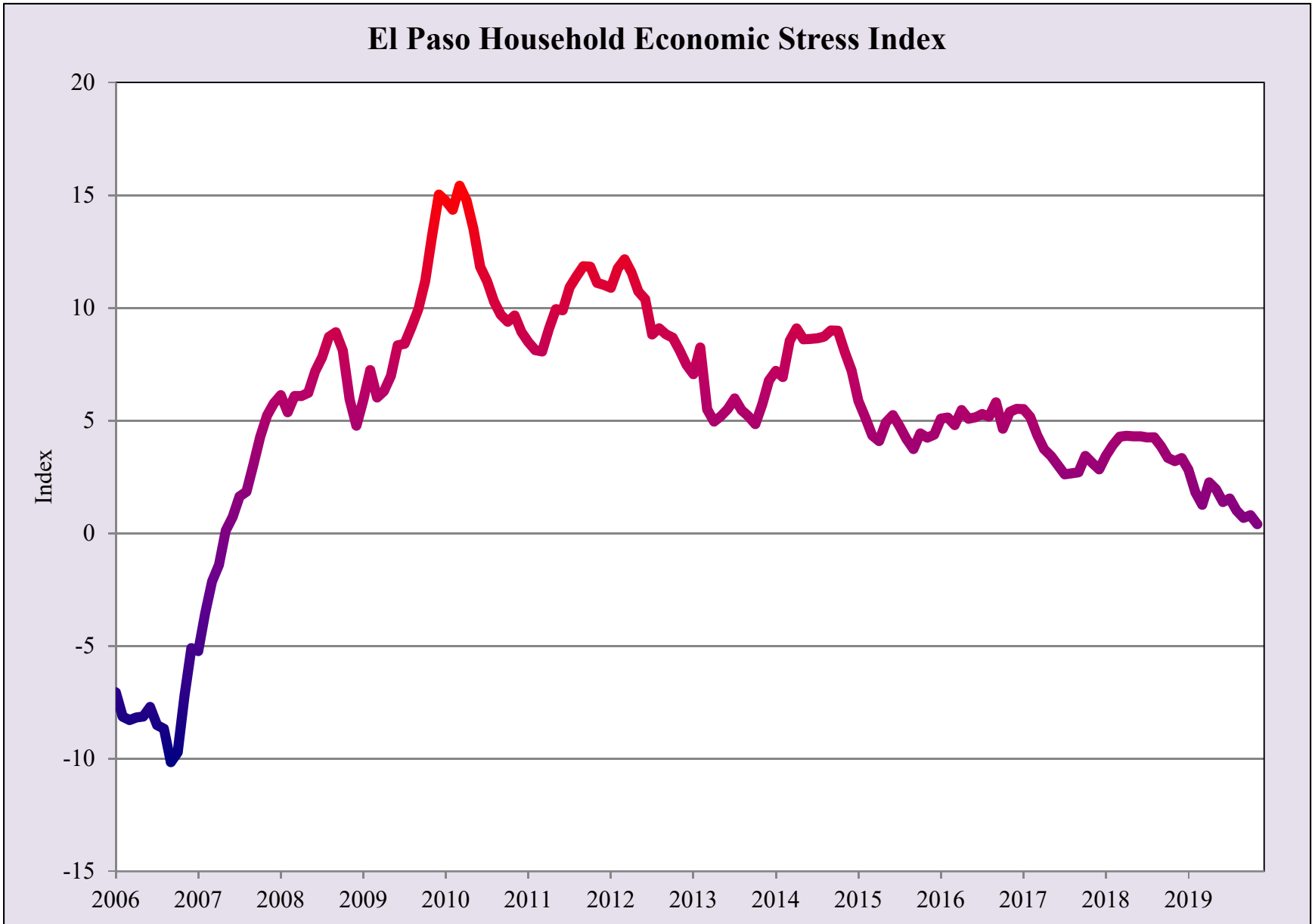
Source: Federal Reserve Bank of Dallas



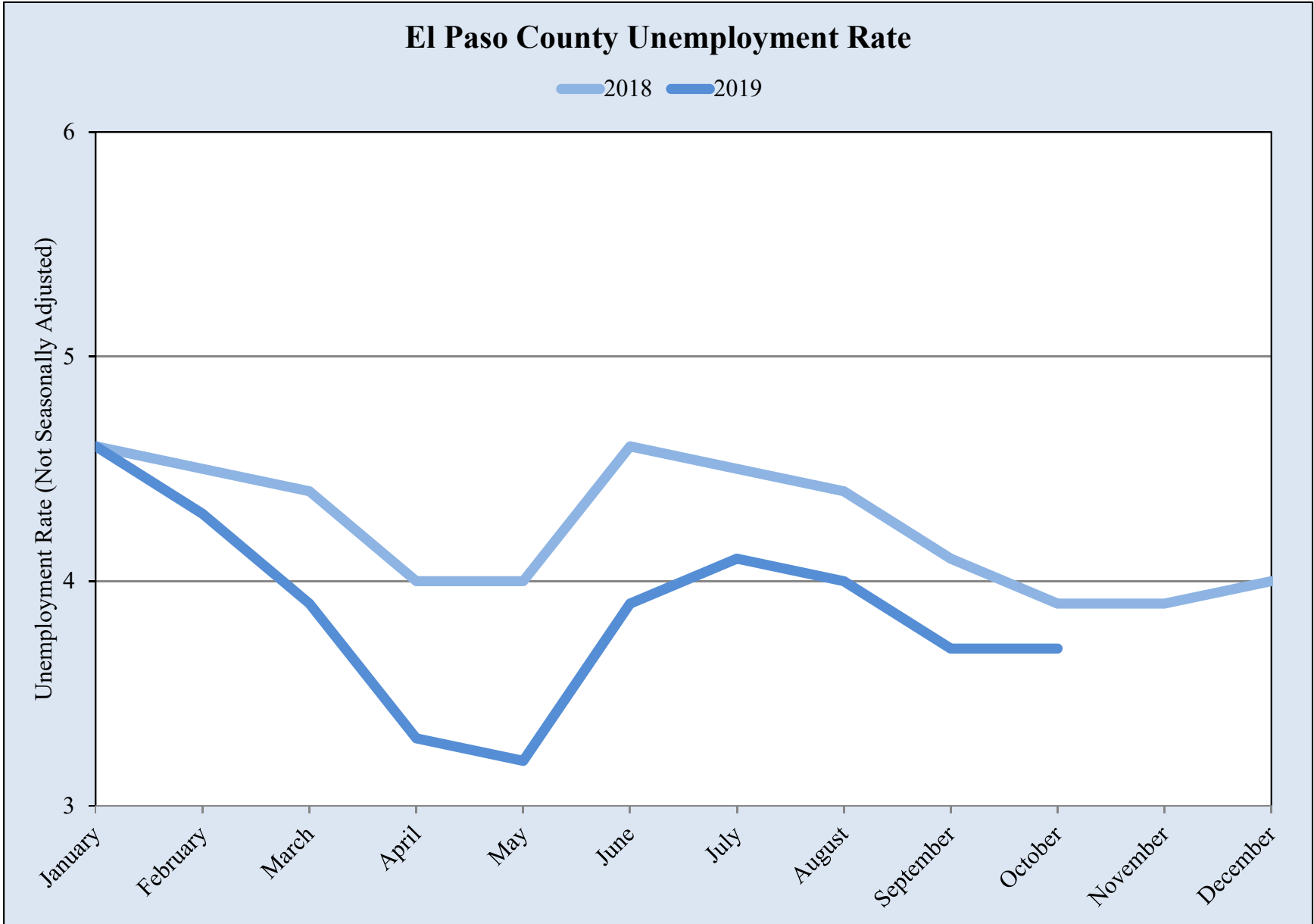
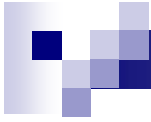
Source: U.S. Treasury, Daily Treasury Yield Curve Rates and BRMP Calculations



Source: UTEP Border Region Modeling Project

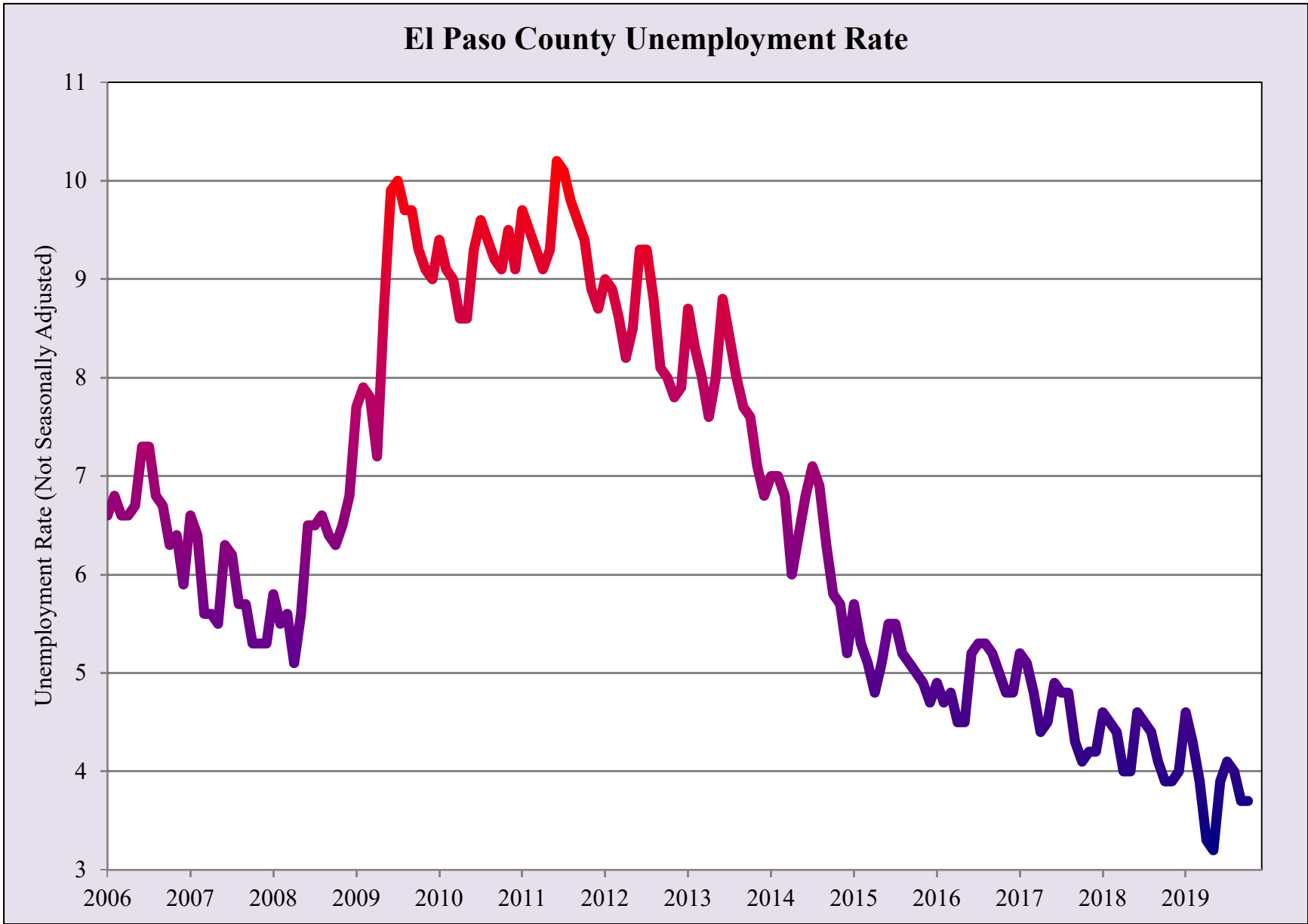


Source: UTEP Border Region Modeling Project

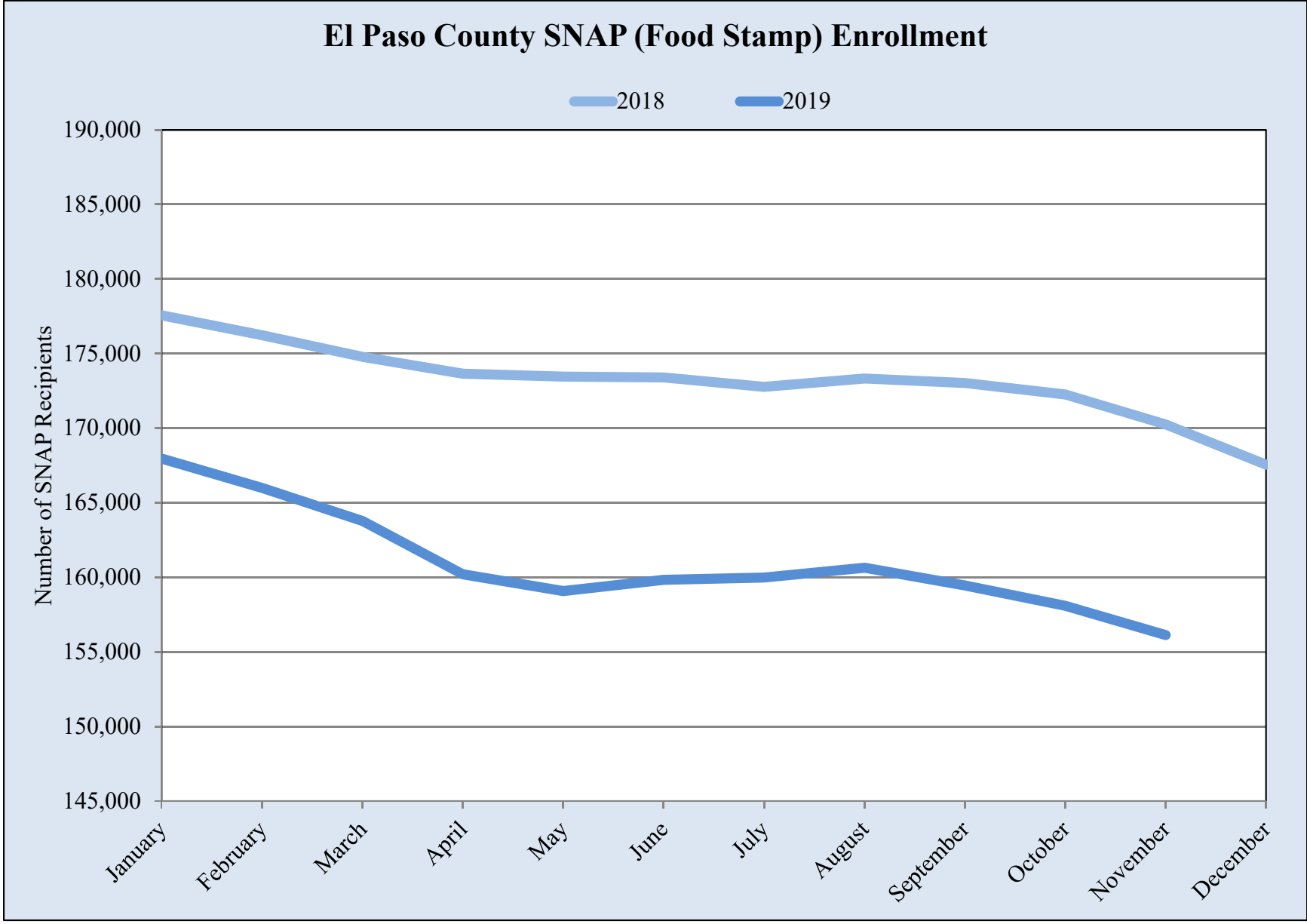


Source: Bureau of Labor Statistics

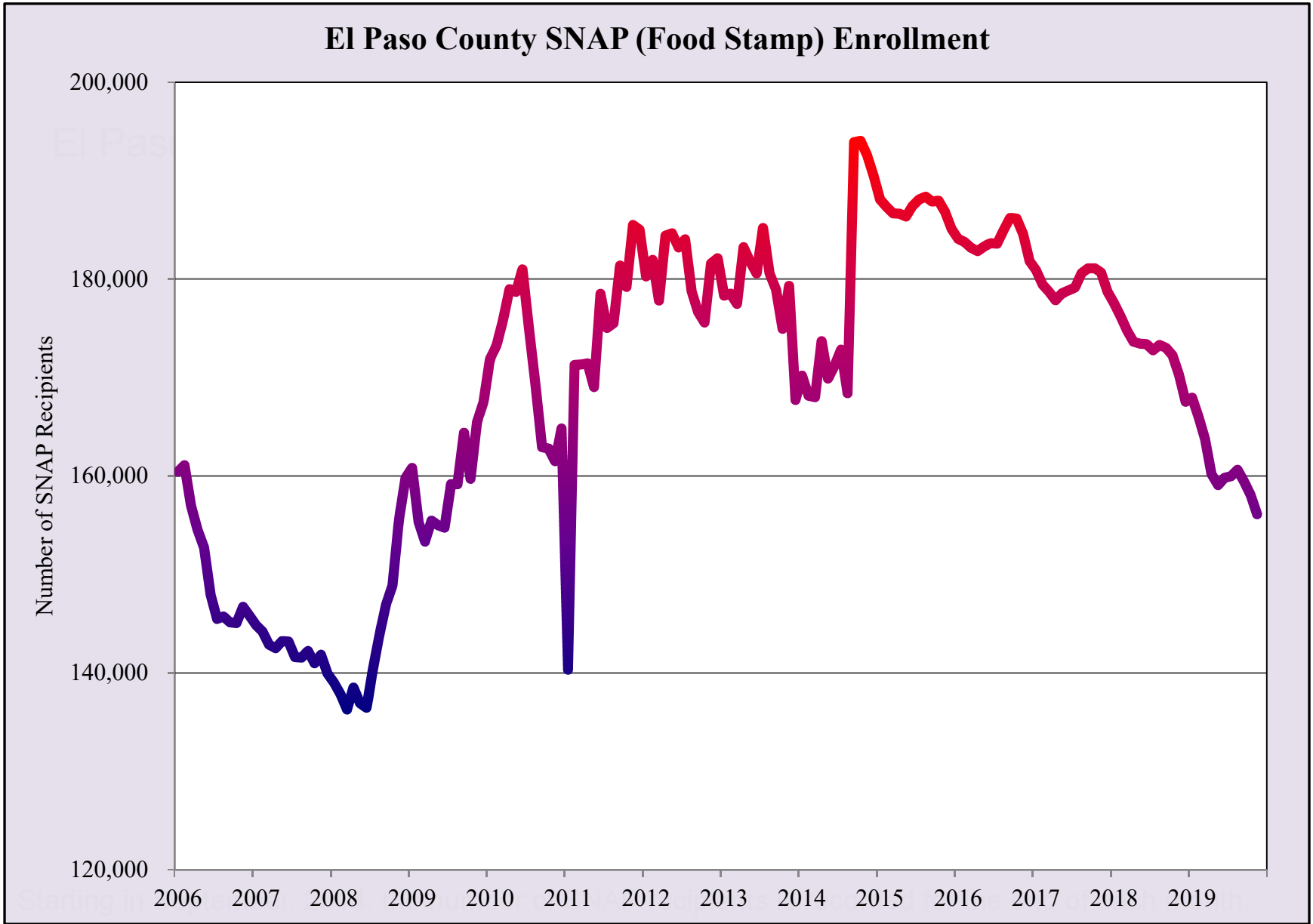




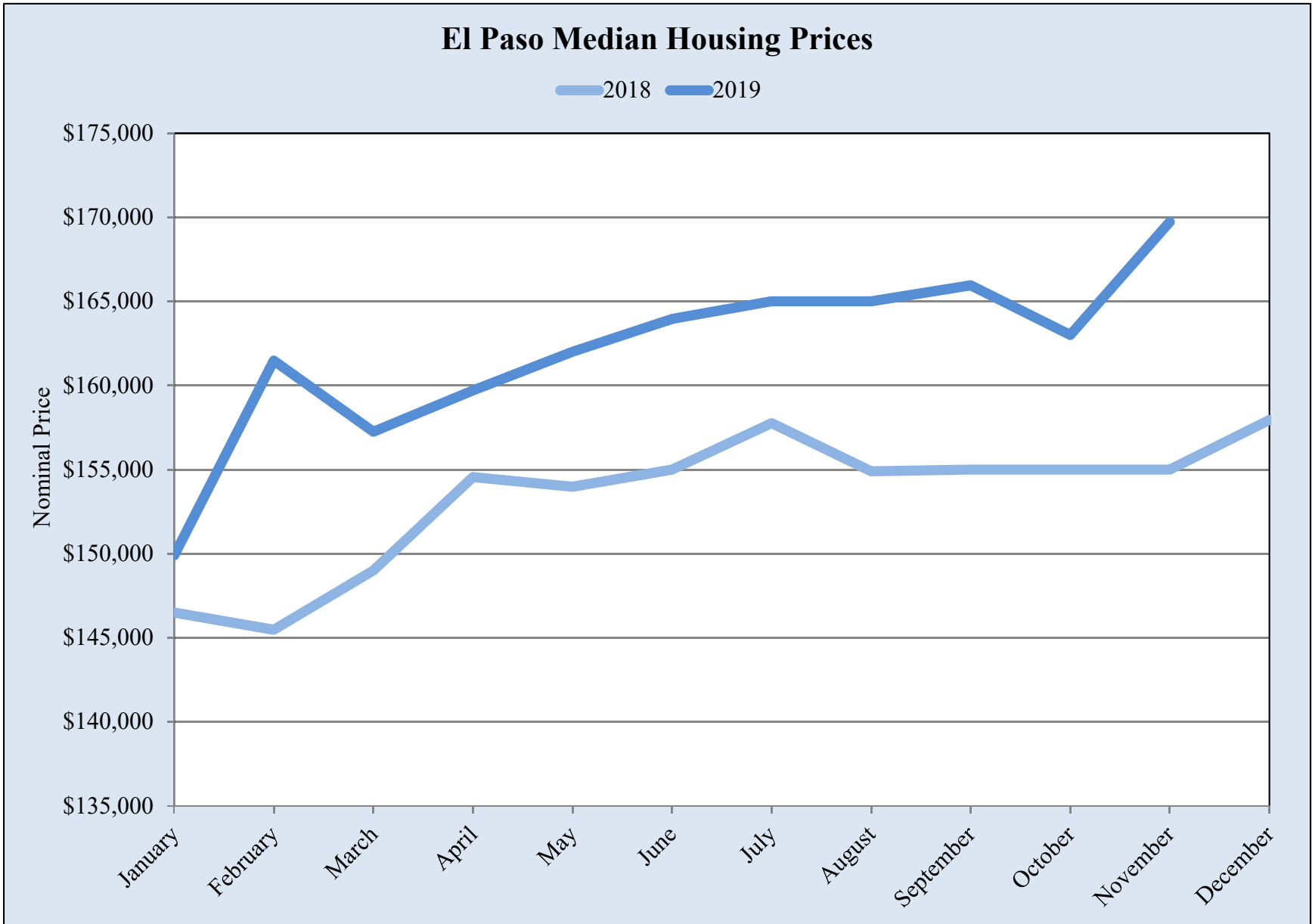
Source: Bureau of Labor Statistics



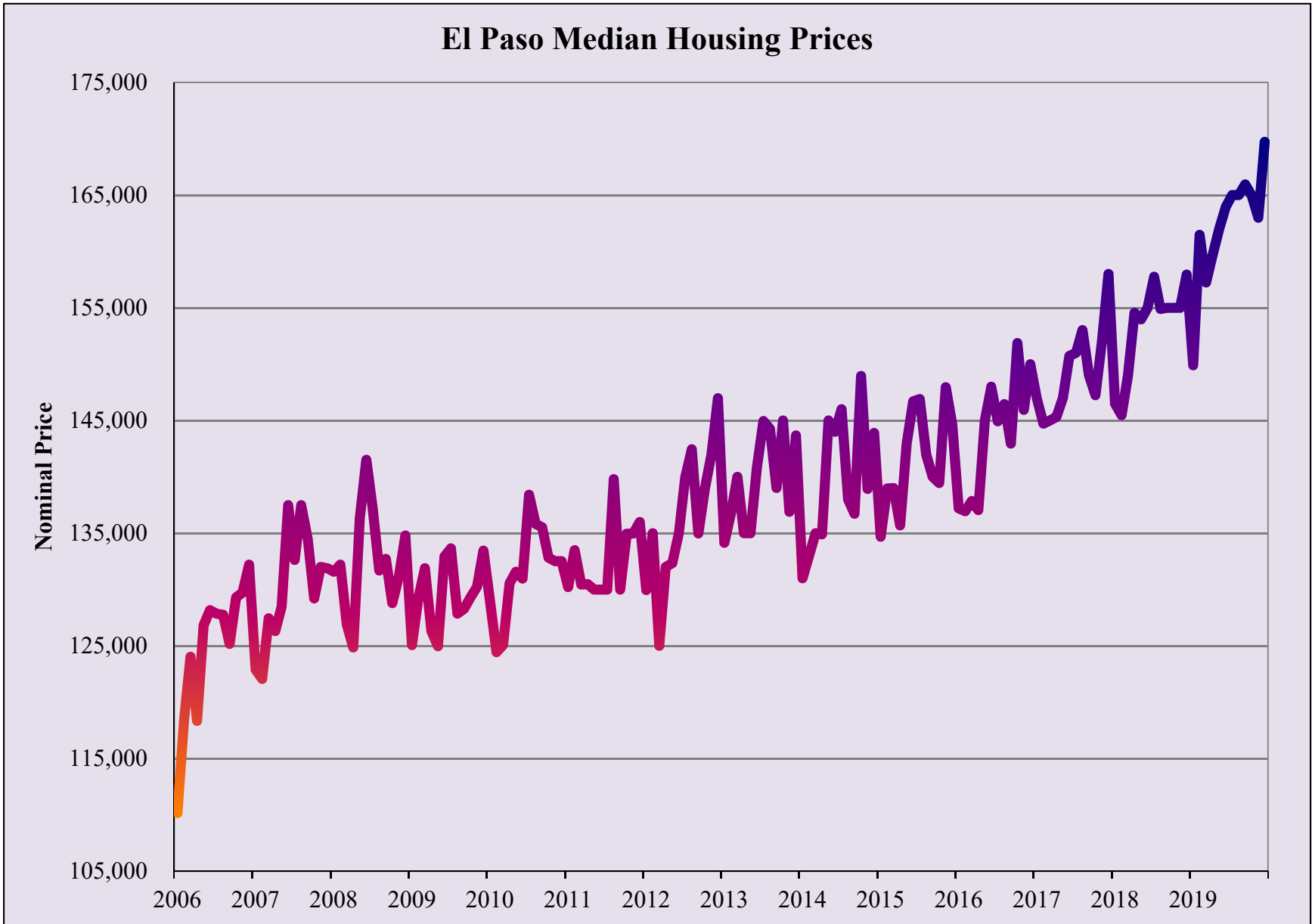
Source: Texas Health and Human Services Commission



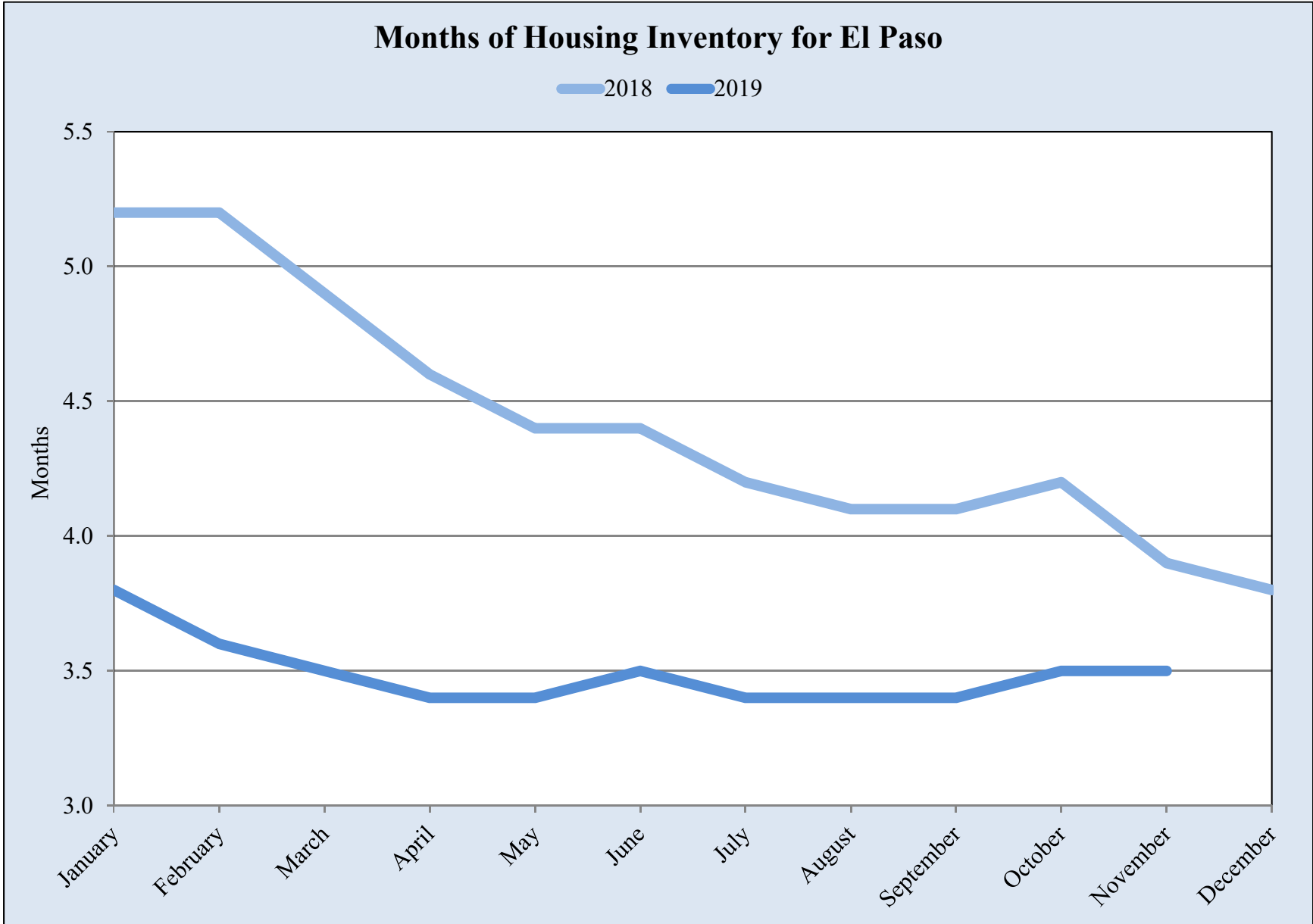
Source: Texas Health and Human Services Commission



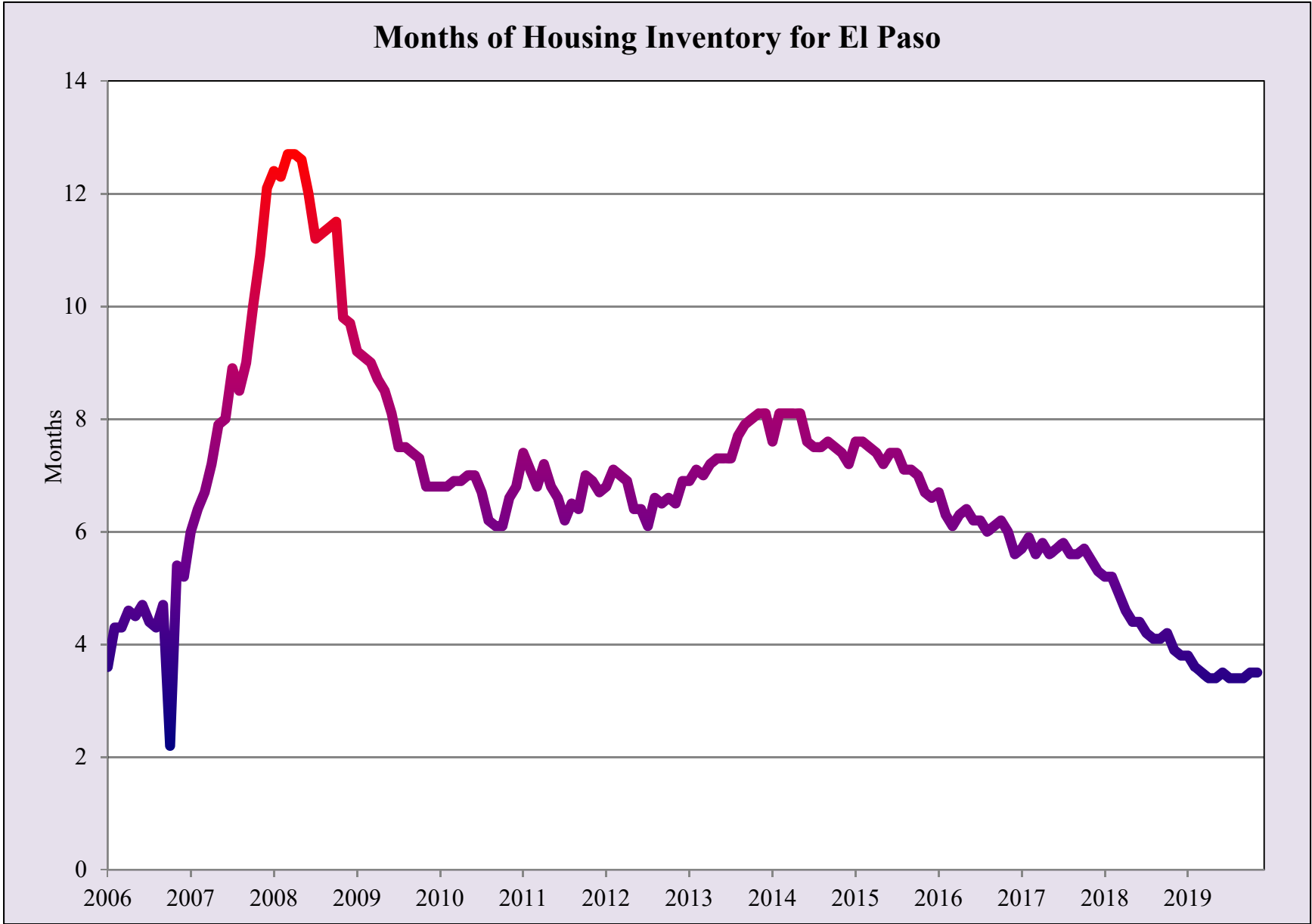
Source: Texas A&M Real Estate Center



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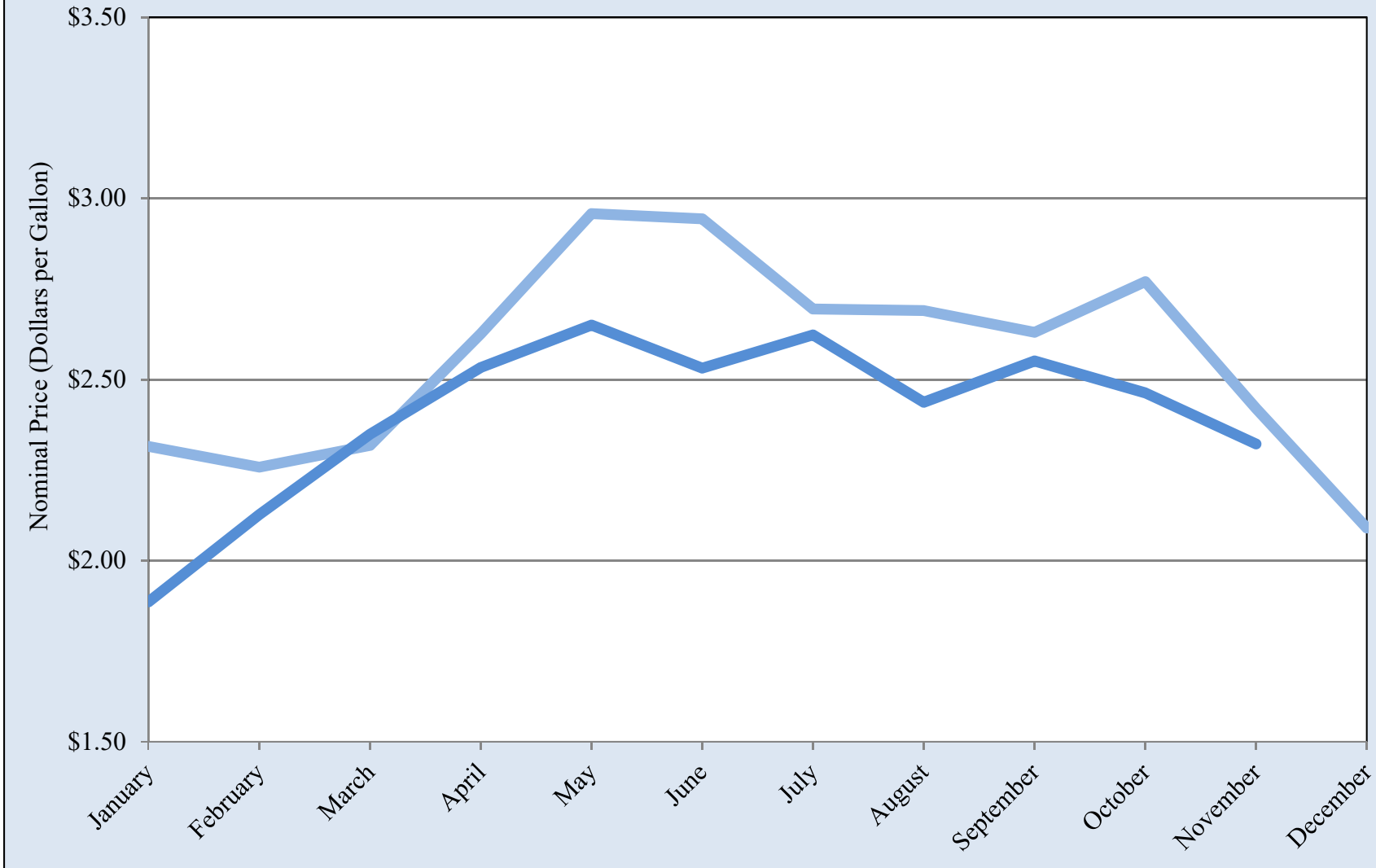
Source: Texas A&M Real Estate Center



Source: Texas A&M Real Estate Center

## El Paso Gasoline Prices

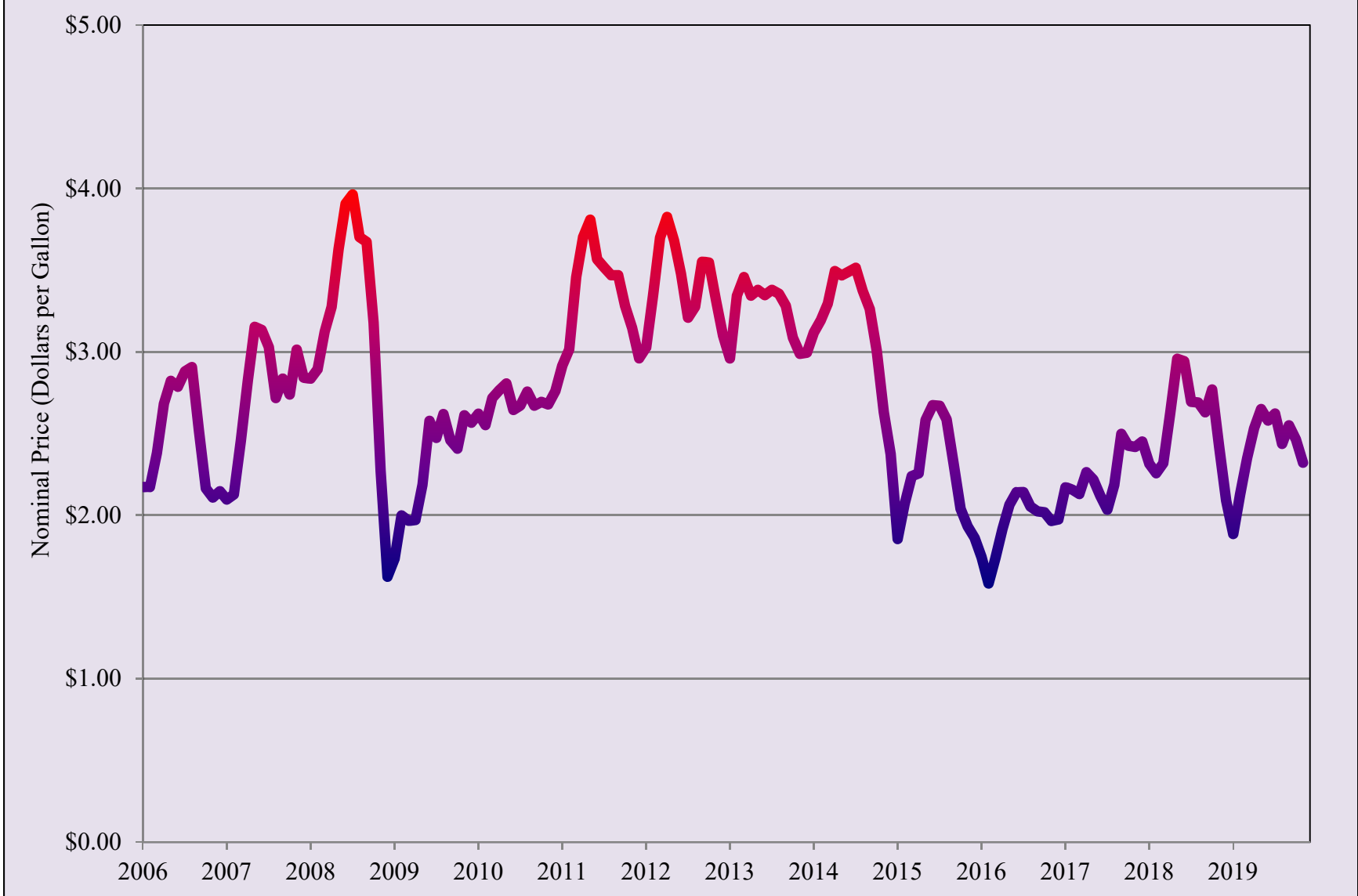
— 2018 — 2019



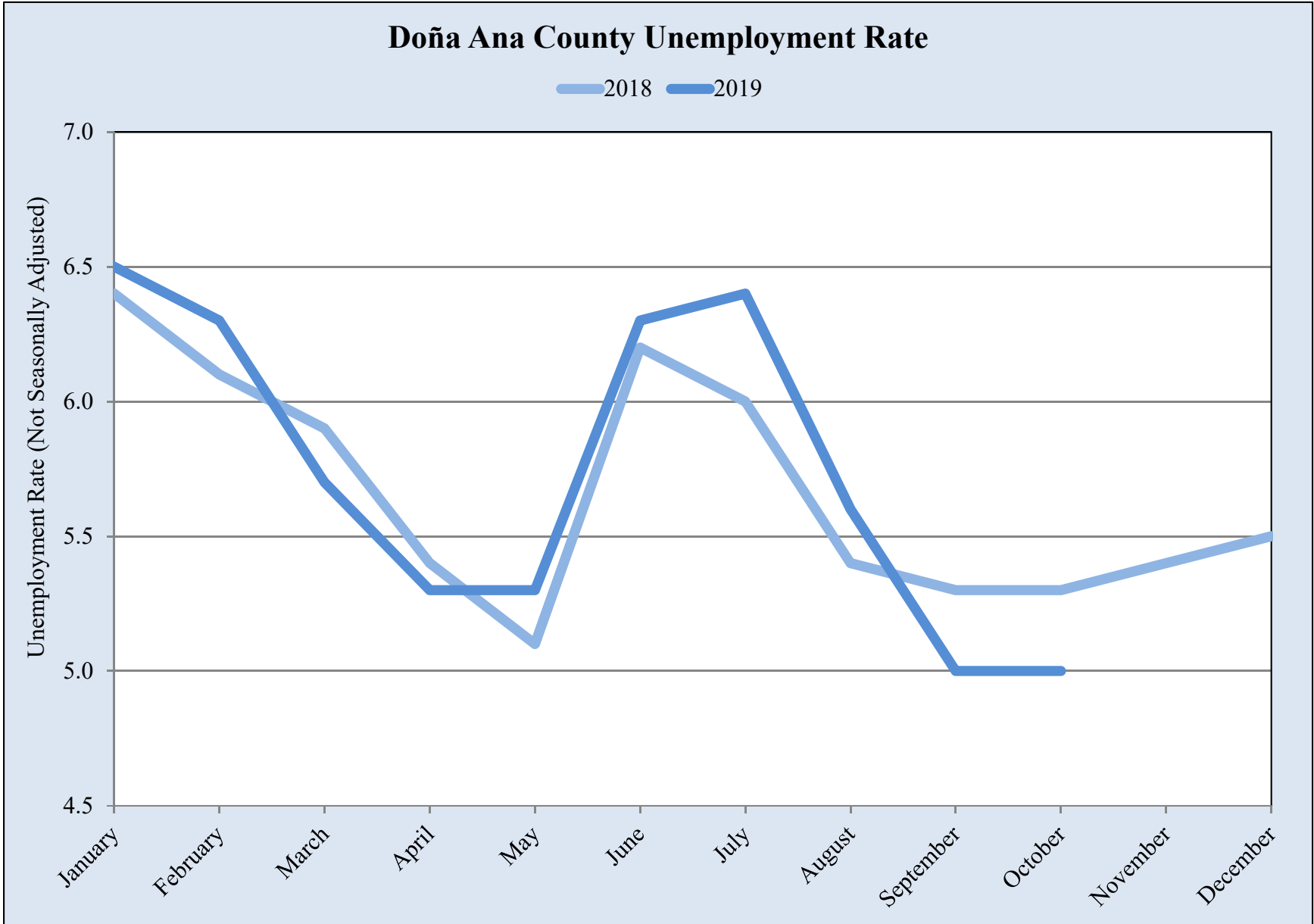
Source: GasBuddy.com



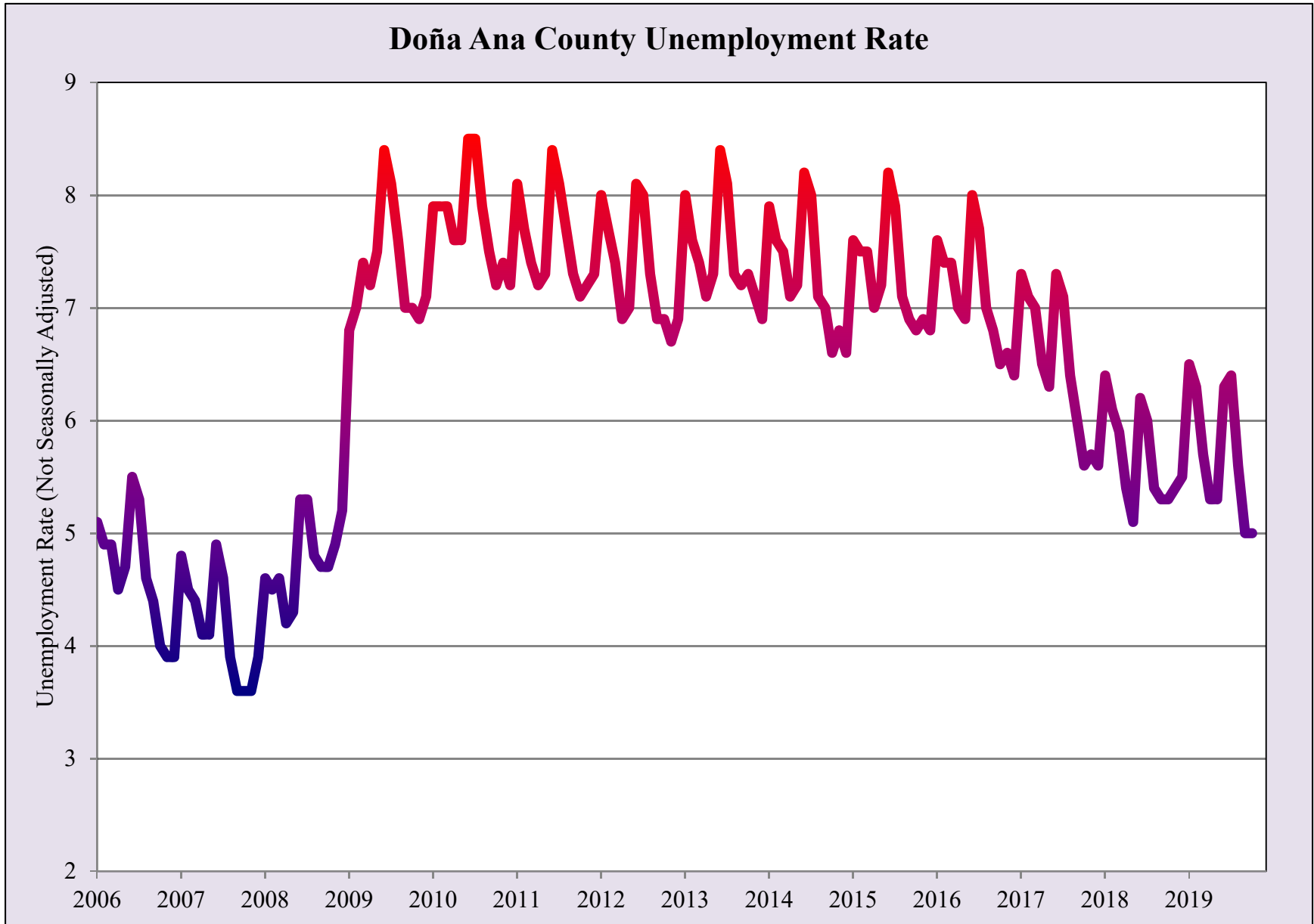
## El Paso Gasoline Prices



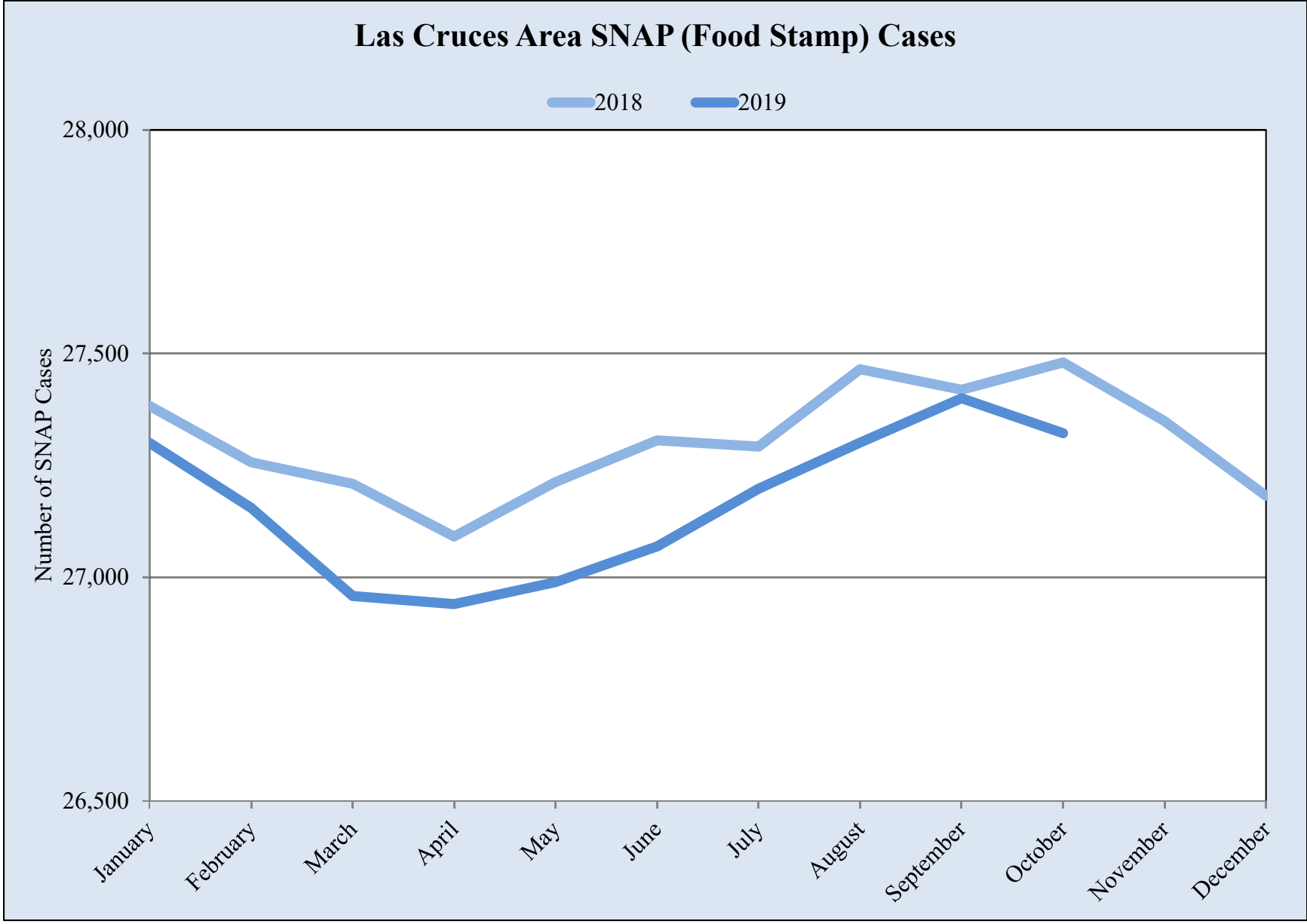
Source: GasBuddy.com



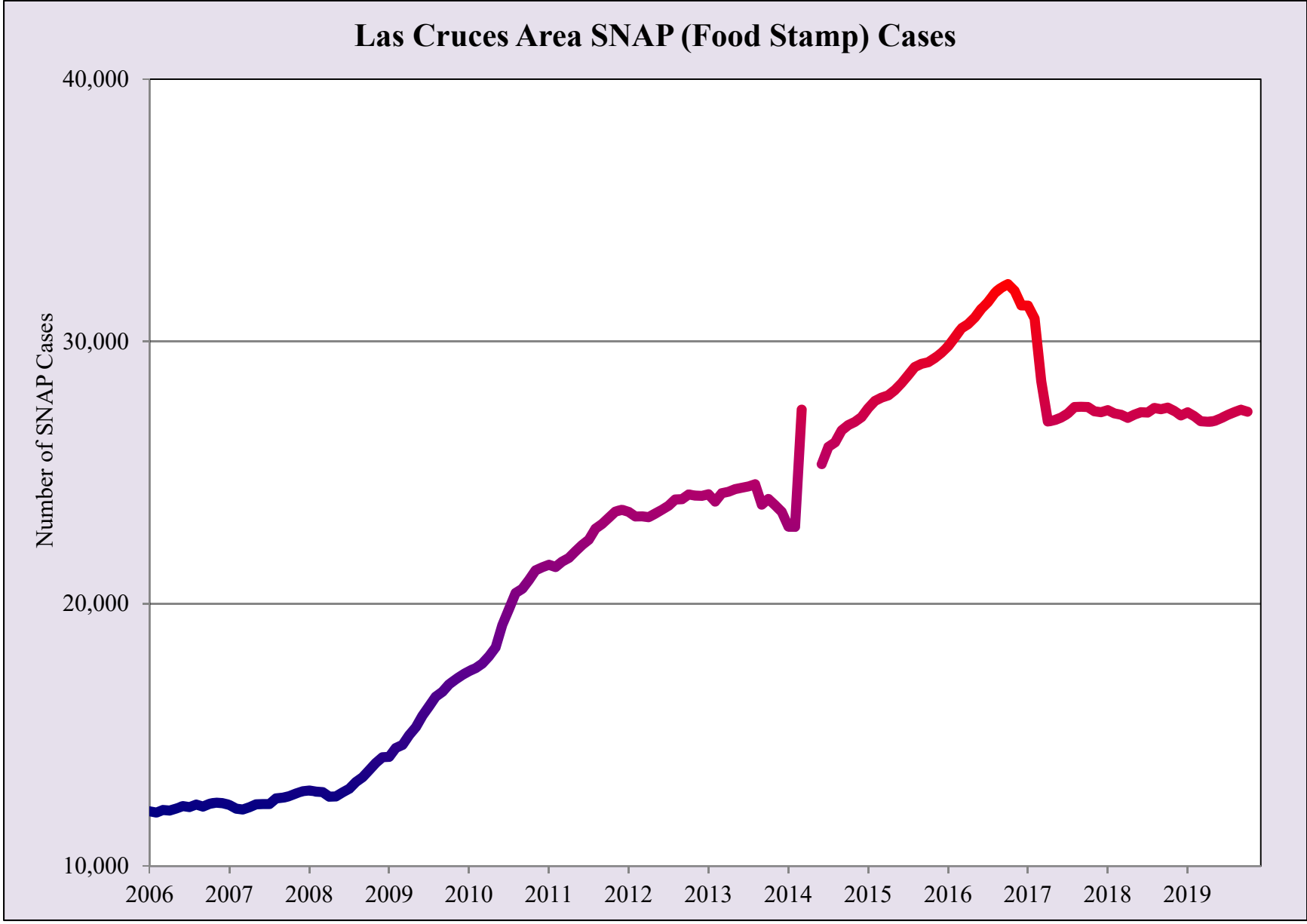
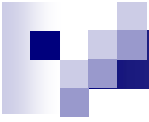
Source: Bureau of Labor Statistics



Source: Bureau of Labor Statistics



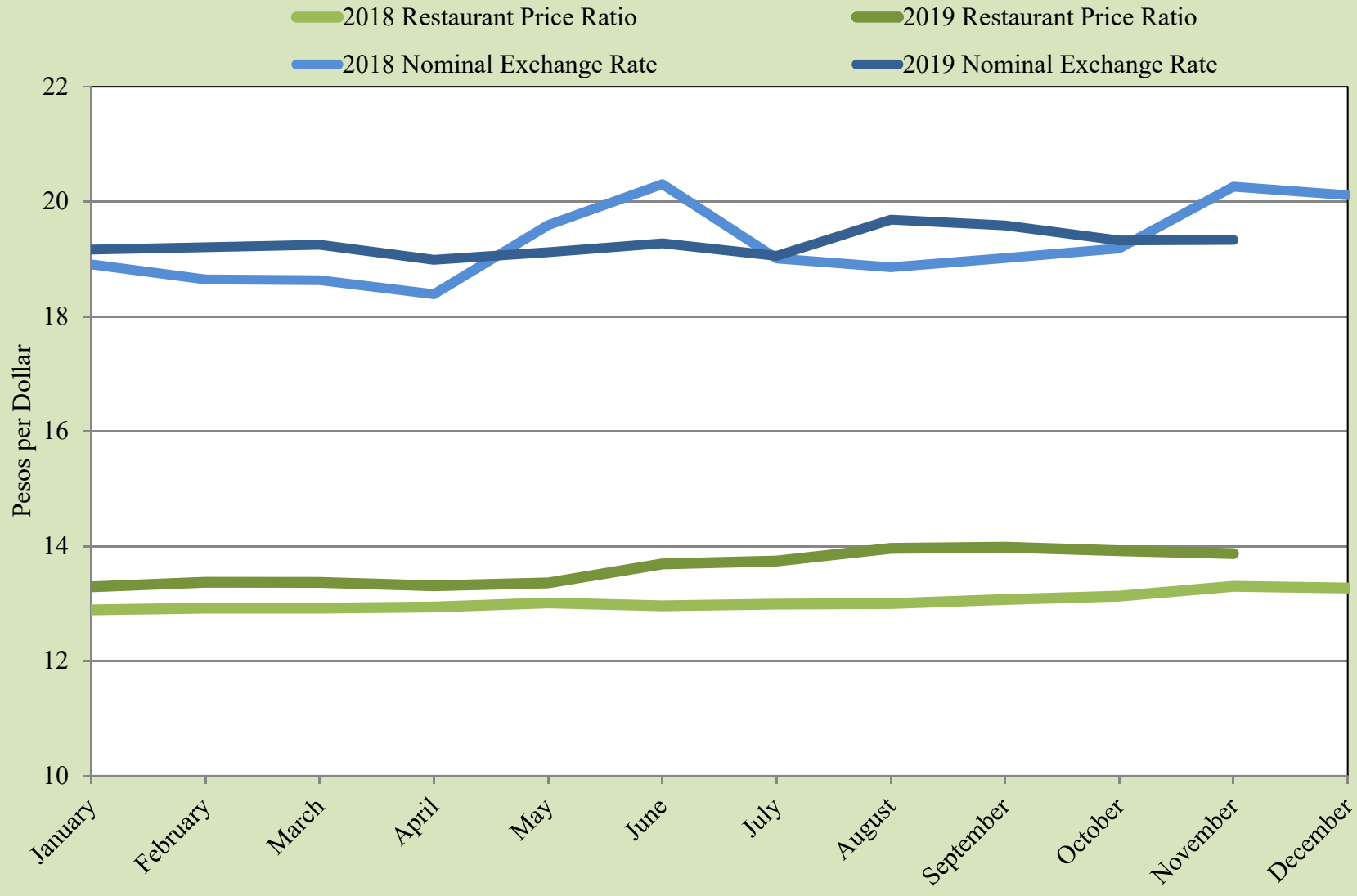
Source: New Mexico Human Services Department



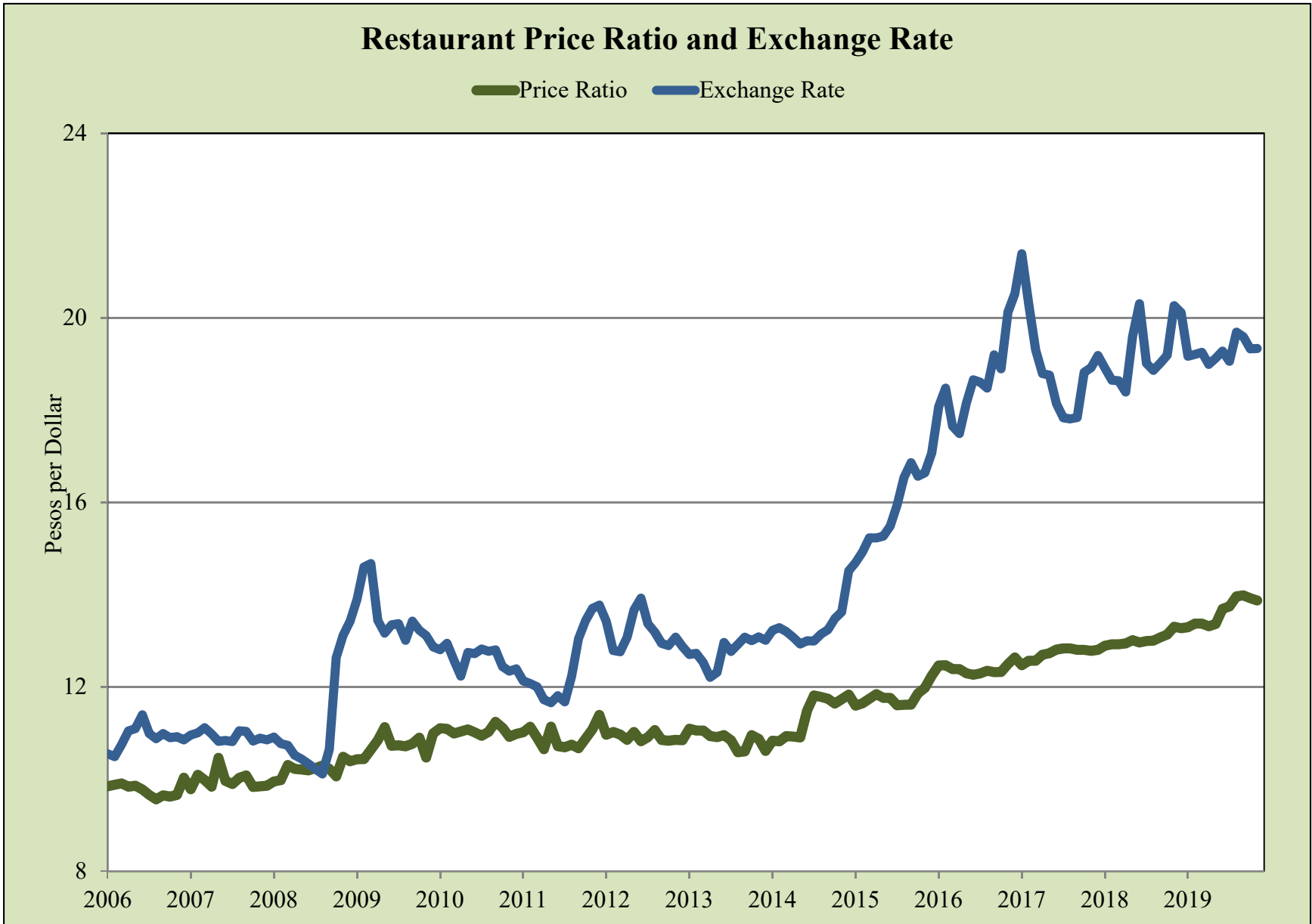
Source: New Mexico Human Services Department



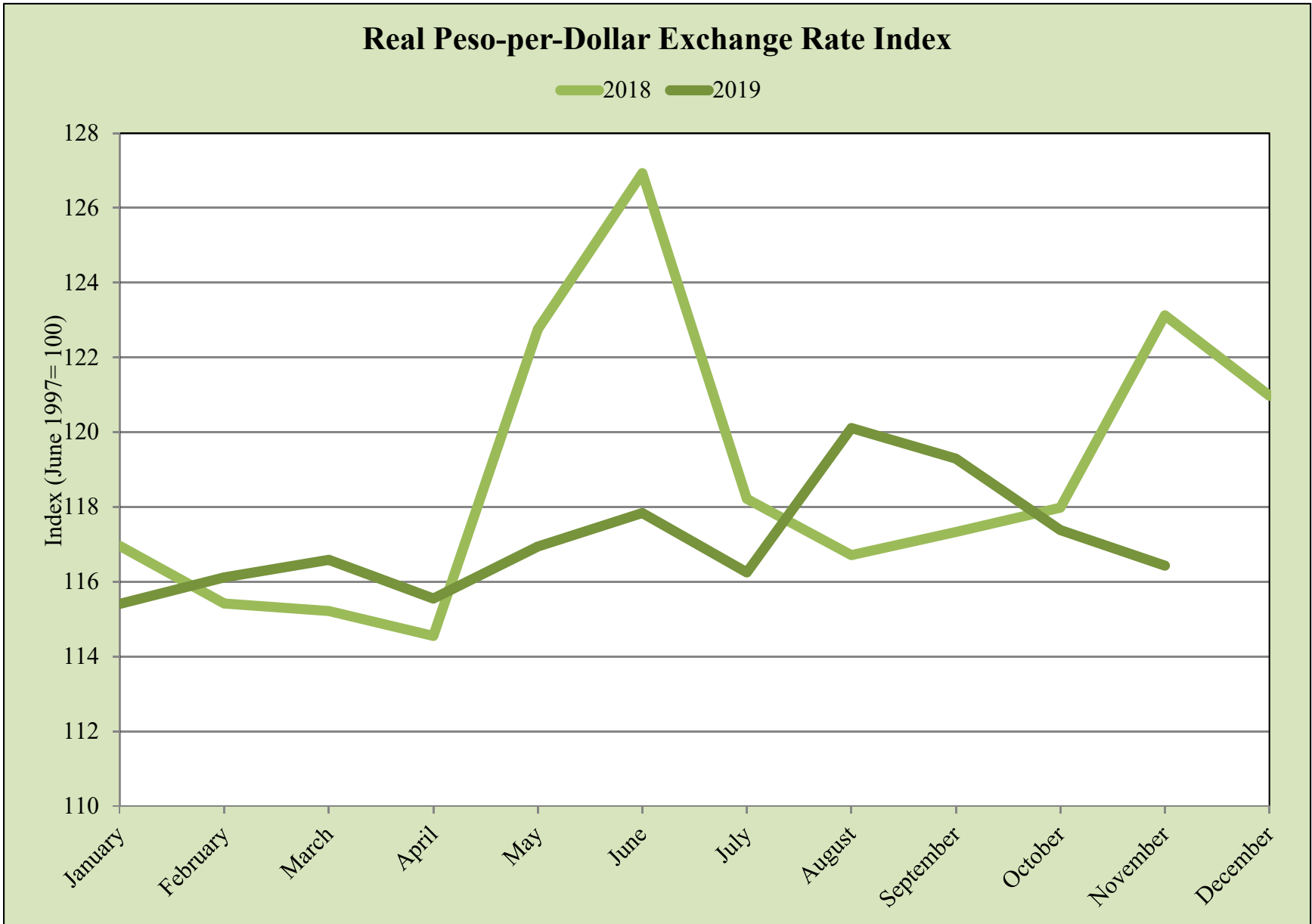
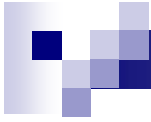
## Restaurant Price Ratio and Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

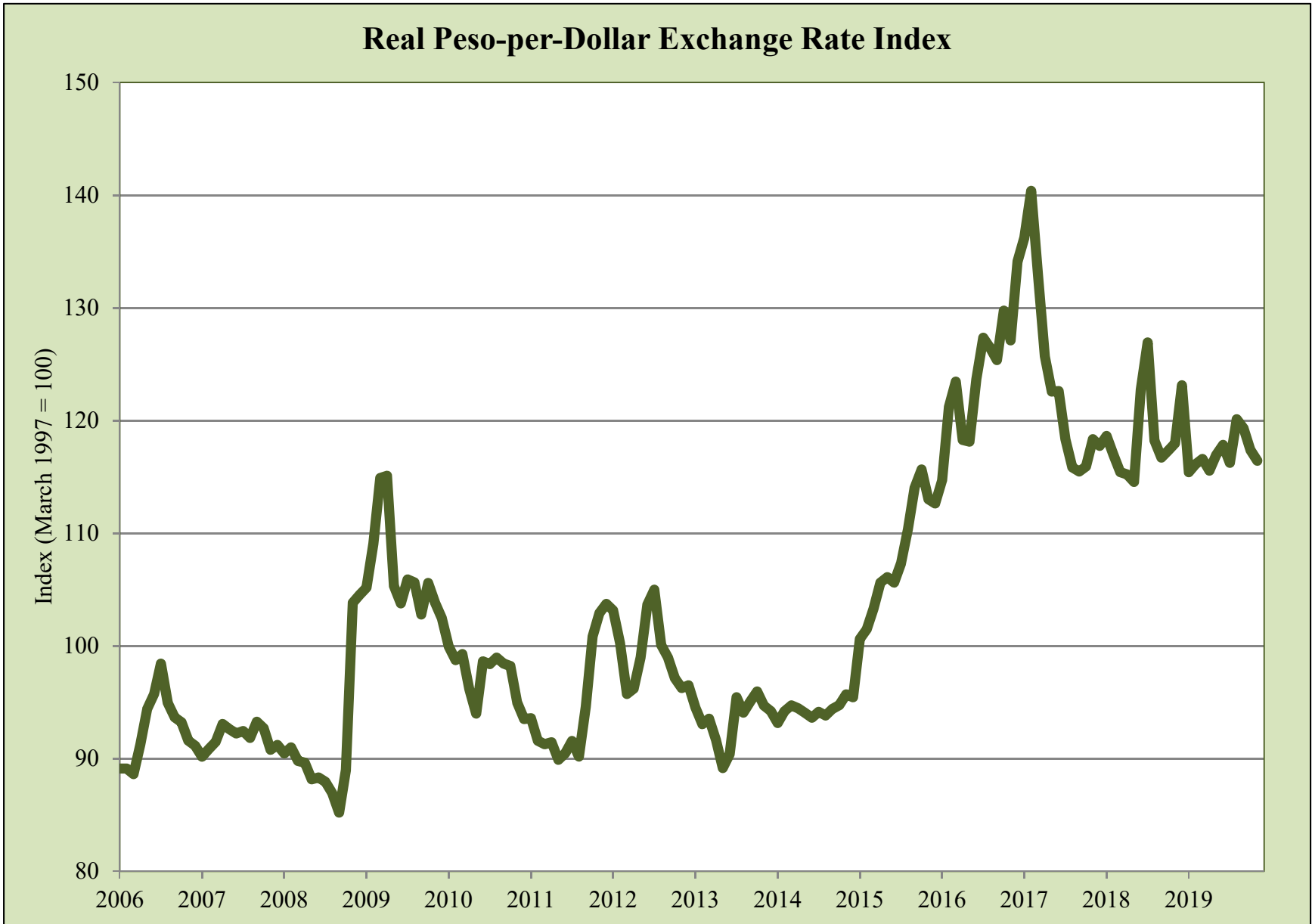


Source: UTEP Border Region Modeling Project and Banco de Mexico



Source: UTEP Border Region Modeling Project

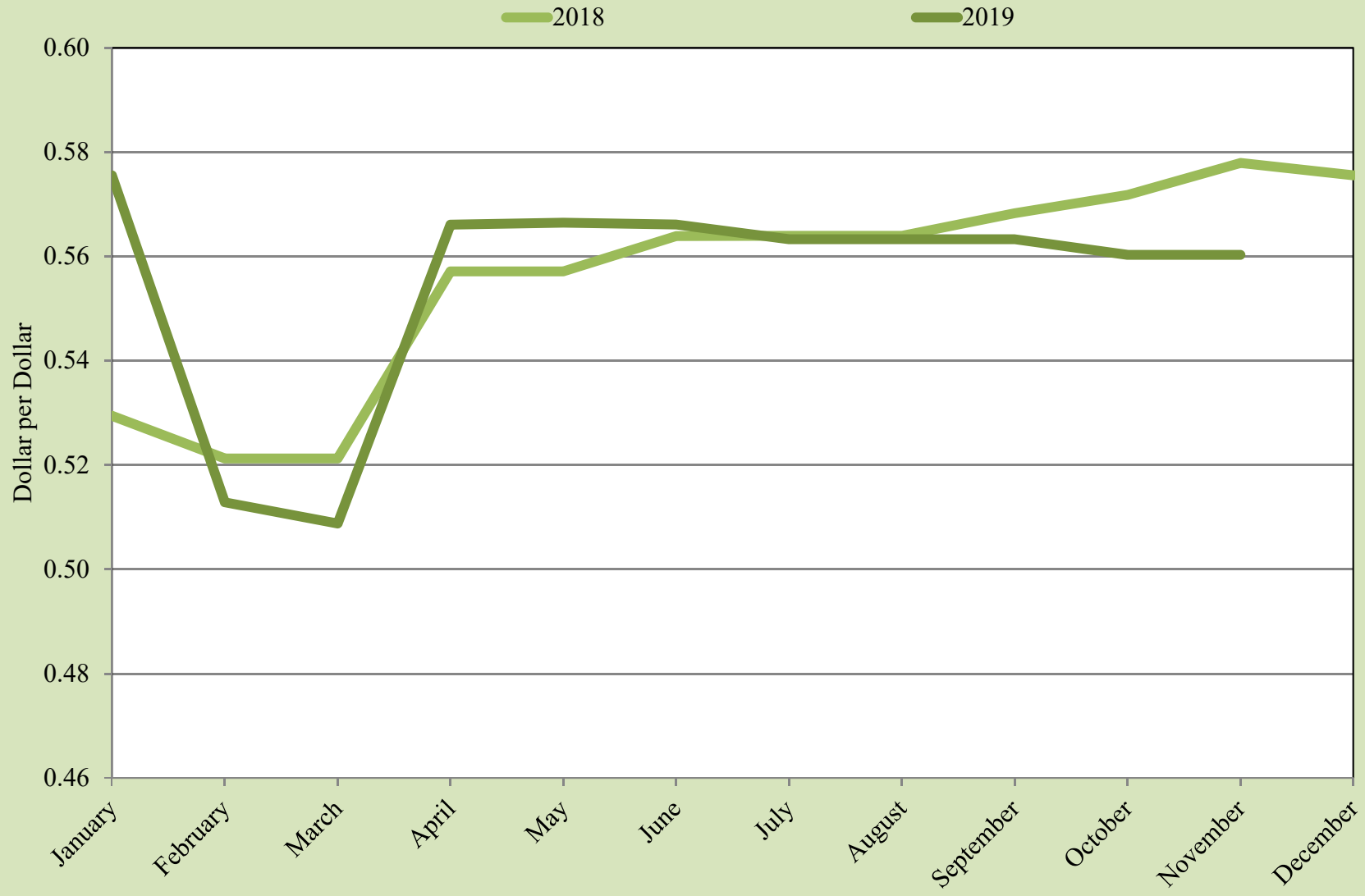




Source: UTEP Border Region Modeling Project



## Pharmaceutical Nominal Price Ratio in the USA and Mexico



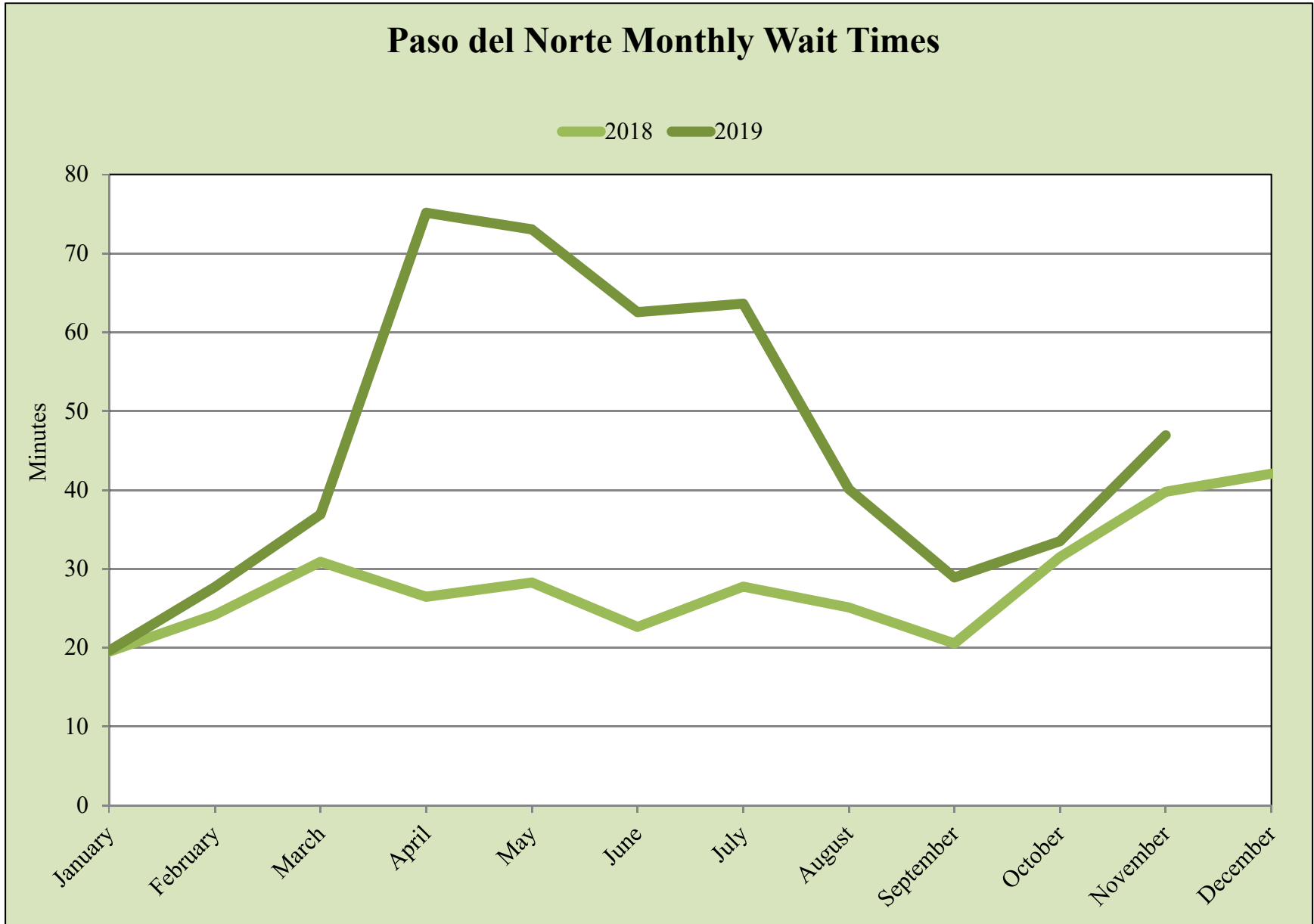
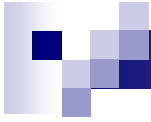
Source: UTEP Border Region Modeling Project, [healthwarehouse.com](http://healthwarehouse.com), [medicinesmexico.com](http://medicinesmexico.com), [medsmex.com](http://medsmex.com)



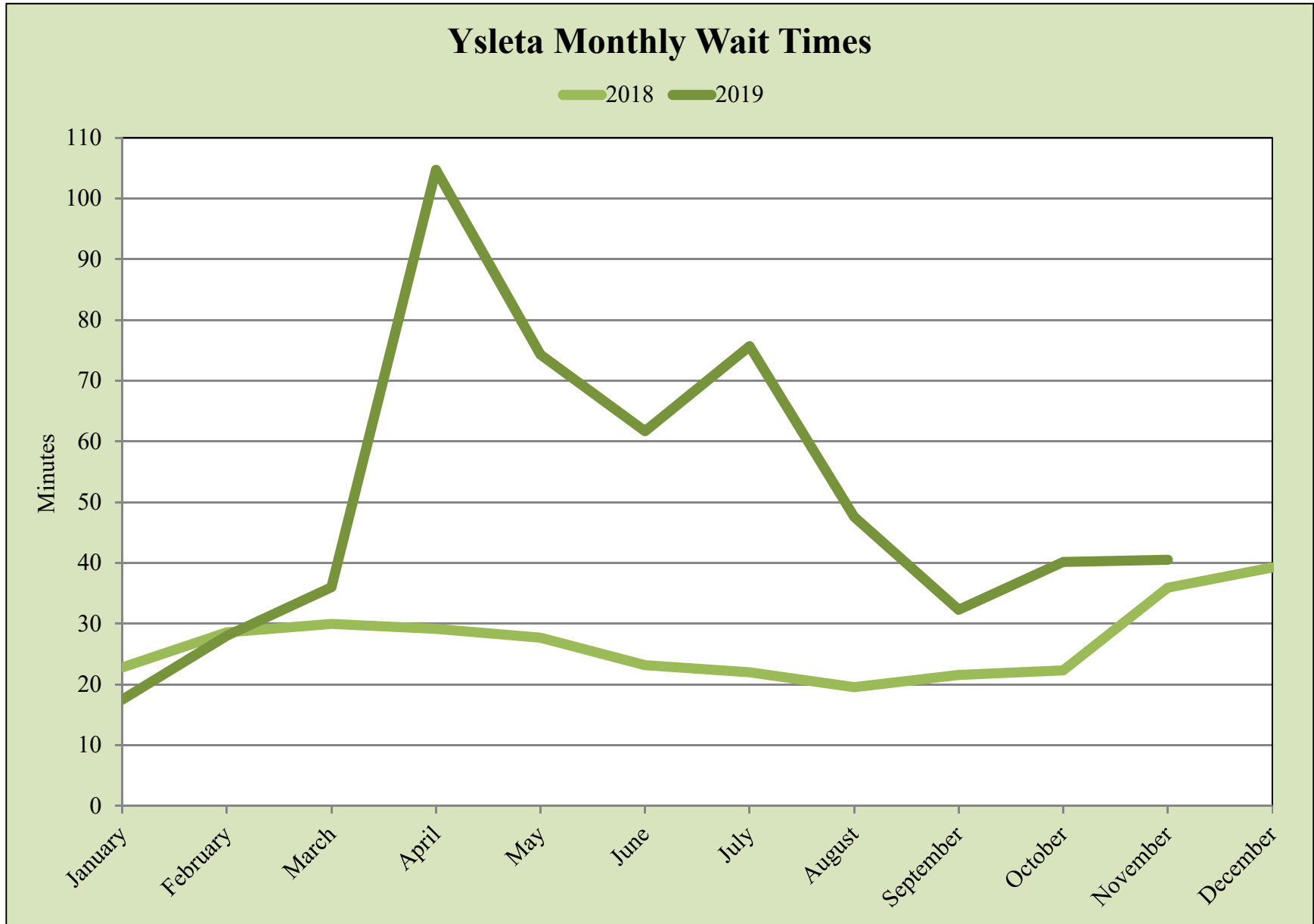
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Source: UTEP Border Region Modeling Project, [healthwarehouse.com](http://healthwarehouse.com), [medicinesmexico.com](http://medicinesmexico.com), [medsmex.com](http://medsmex.com)



Source: UTEP Border Region Modeling Project

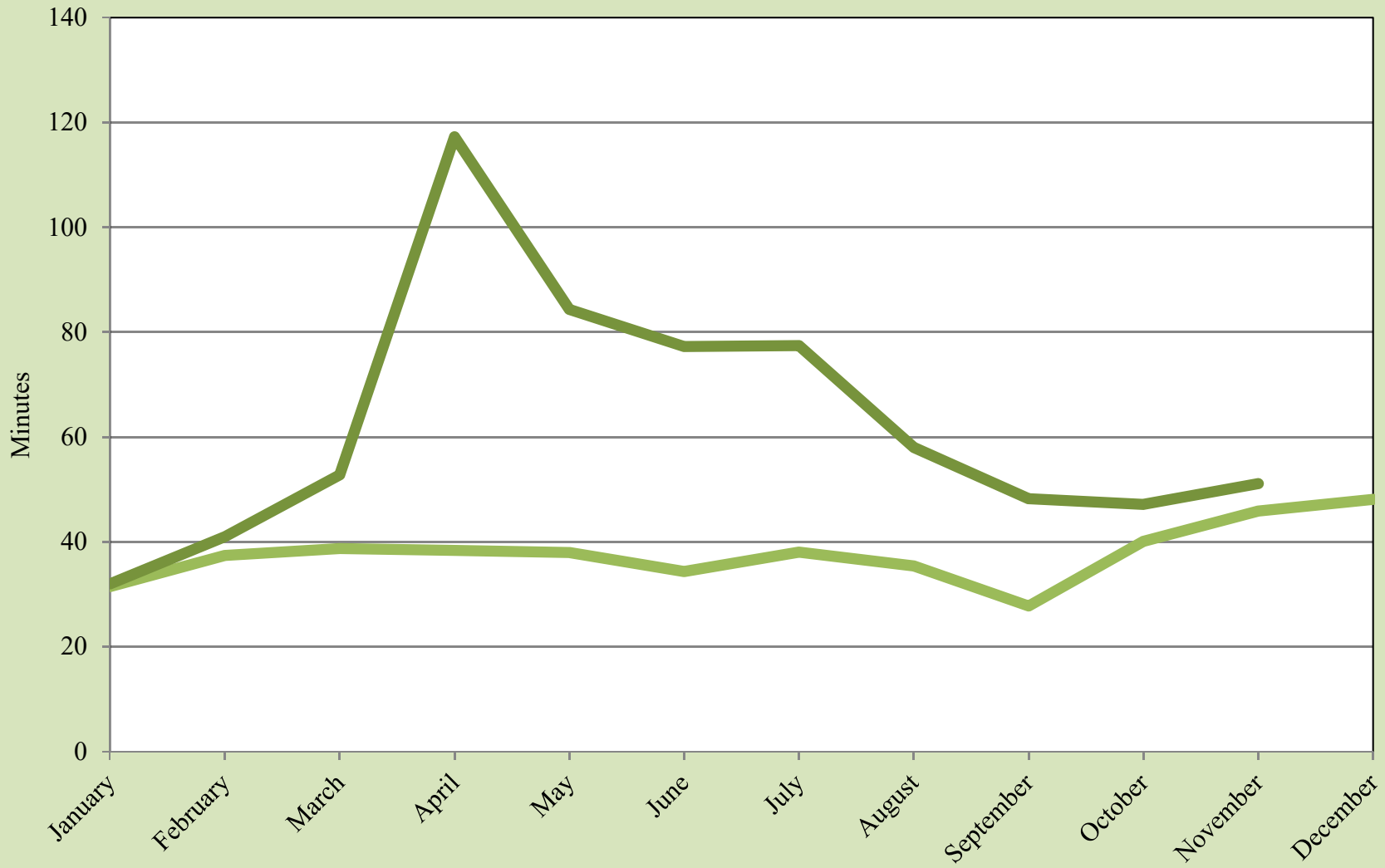


Source: UTEP Border Region Modeling Project

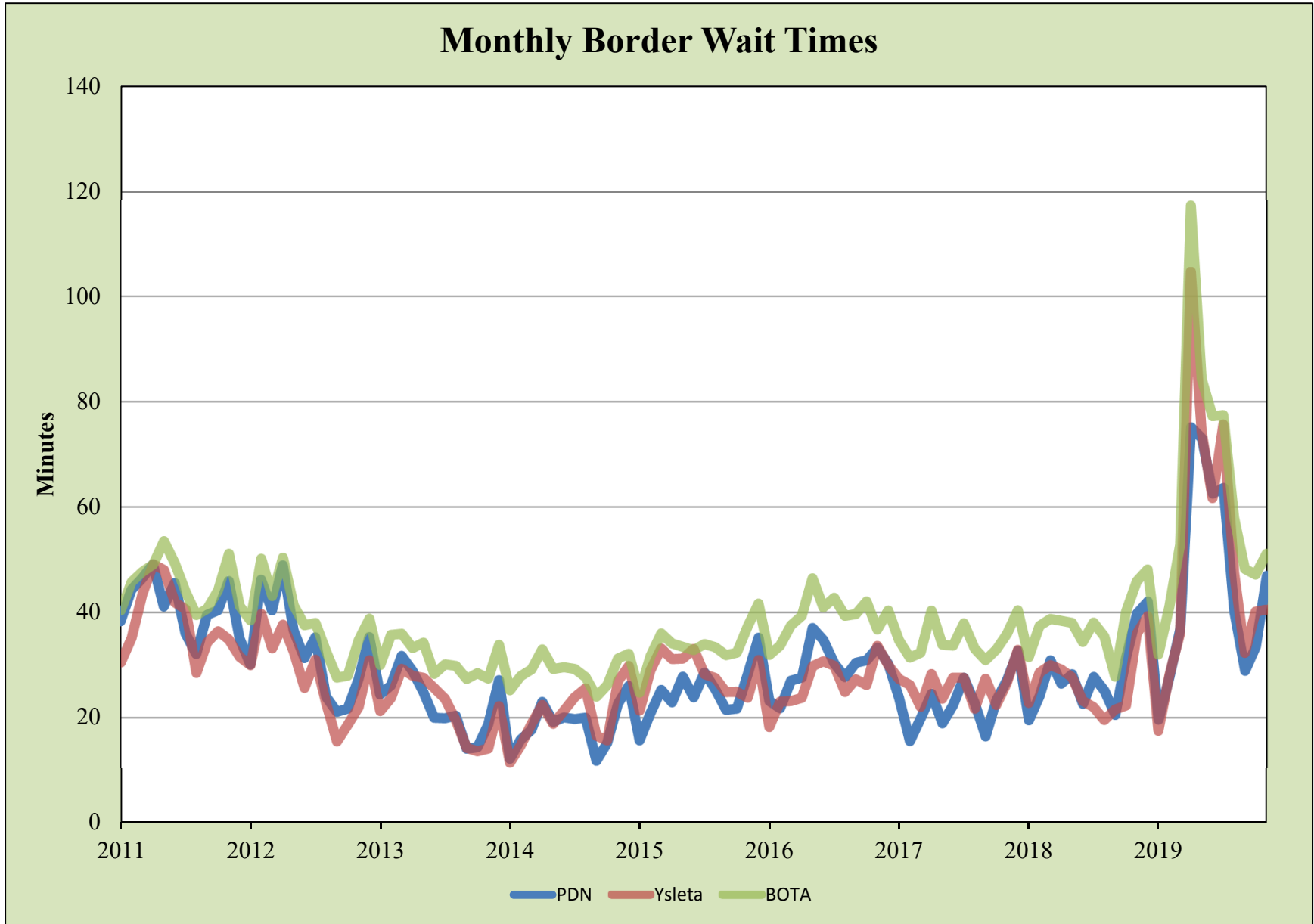


## Bridge of the Americas Monthly Wait Times

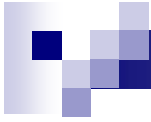
— 2018 — 2019



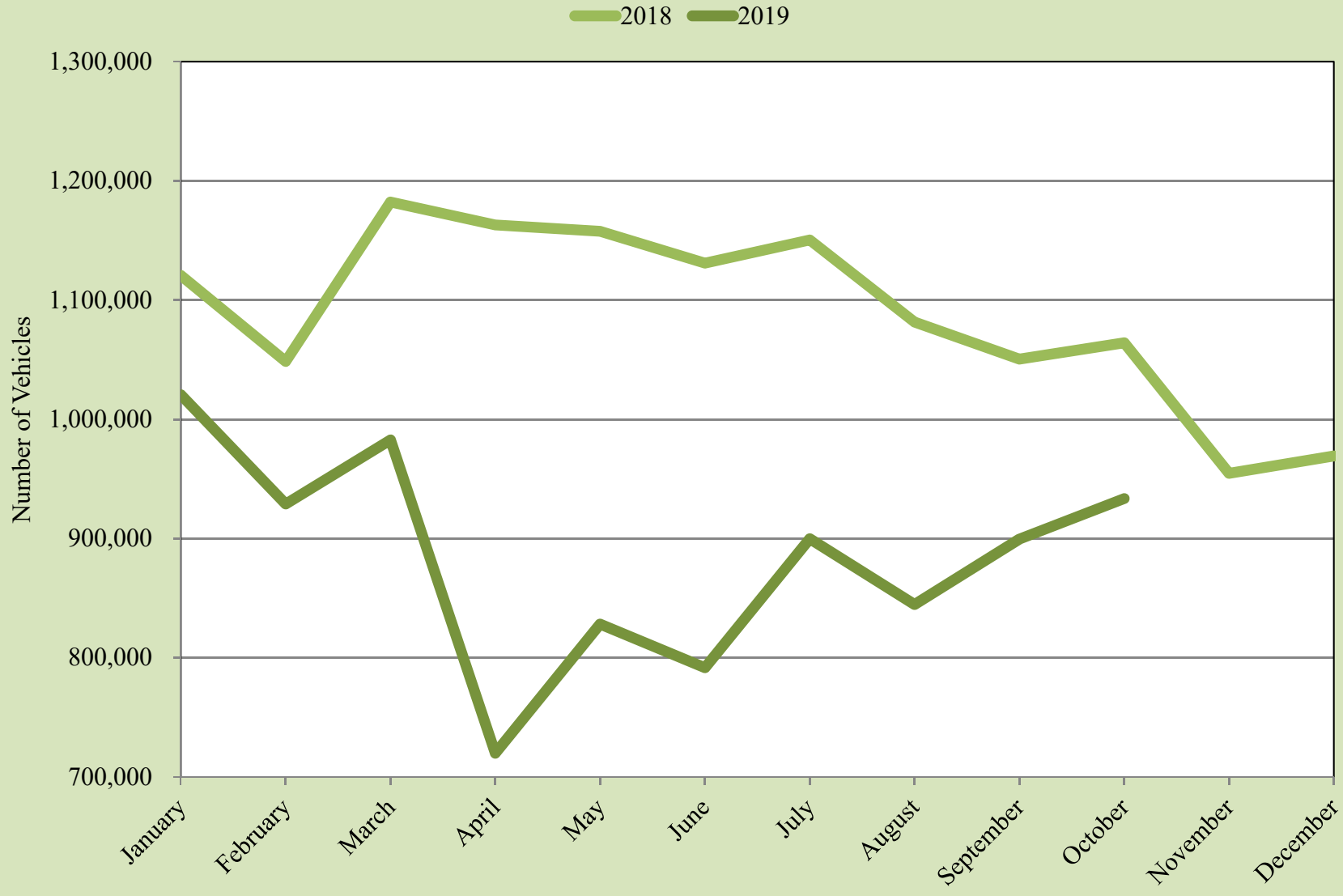
Source: UTEP Border Region Modeling Project



Source: UTEP Border Region Modeling Project



## Personal Vehicle International Bridge Crossings to El Paso

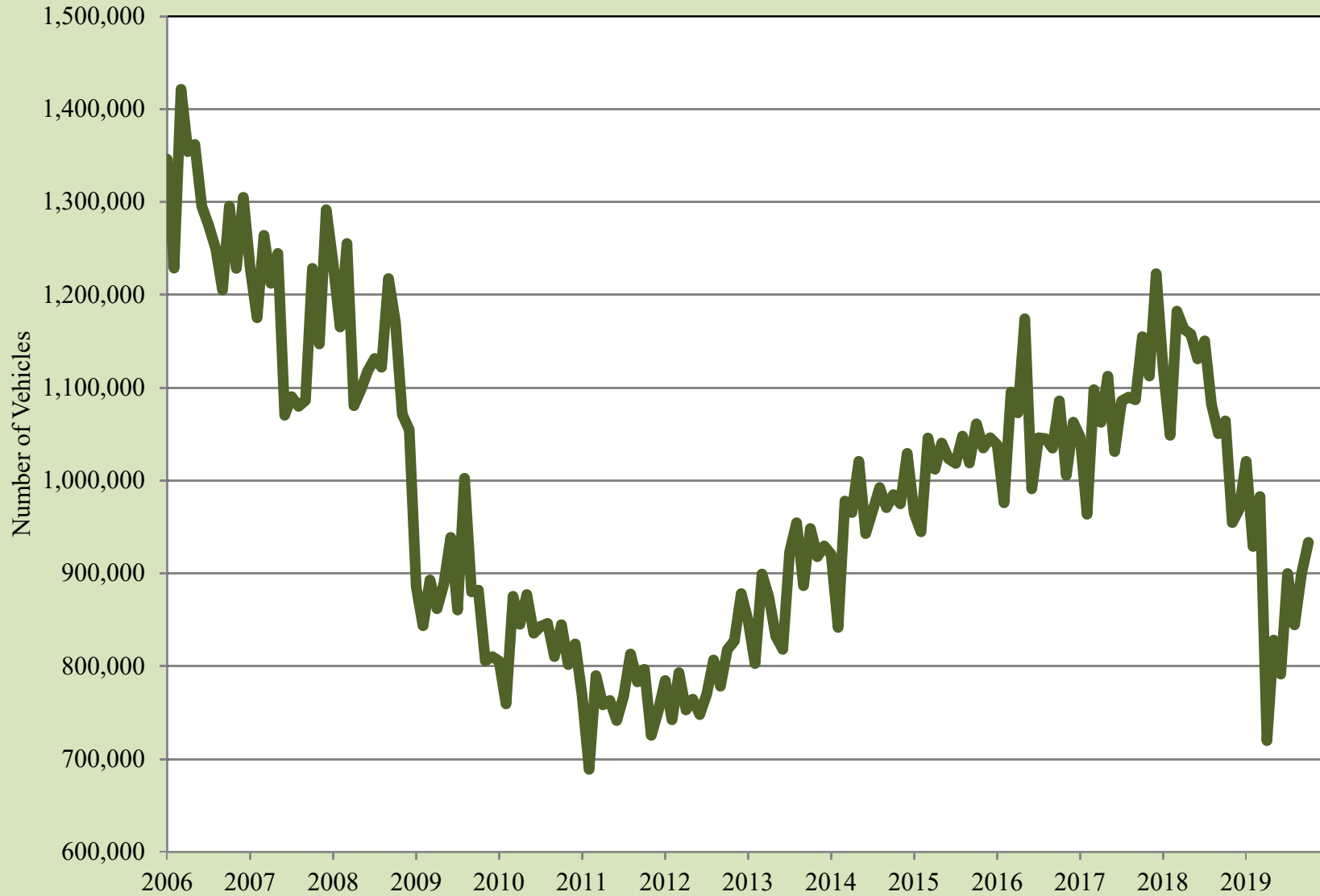


Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection





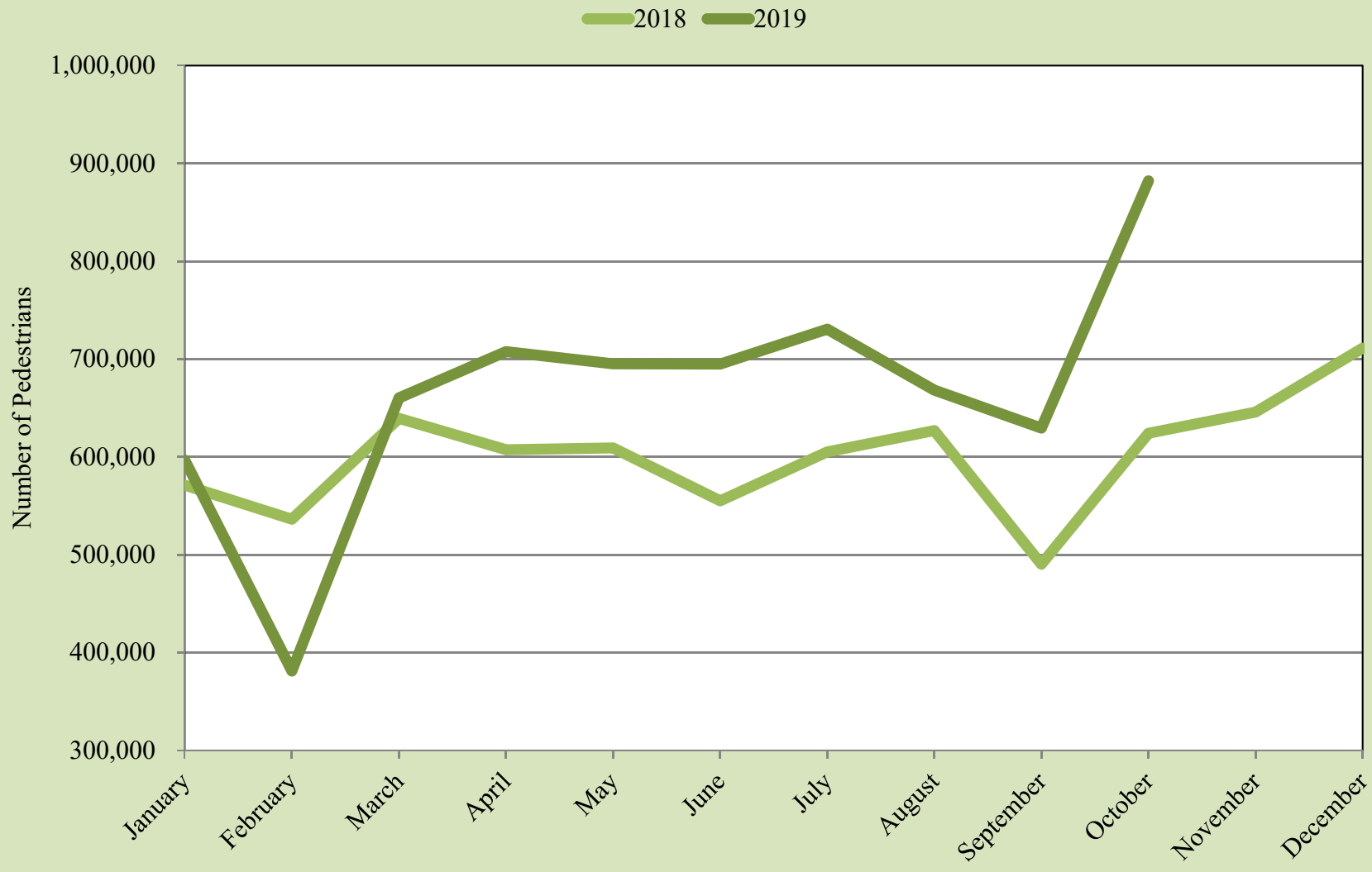
## Personal Vehicle International Bridge Crossings to El Paso



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection



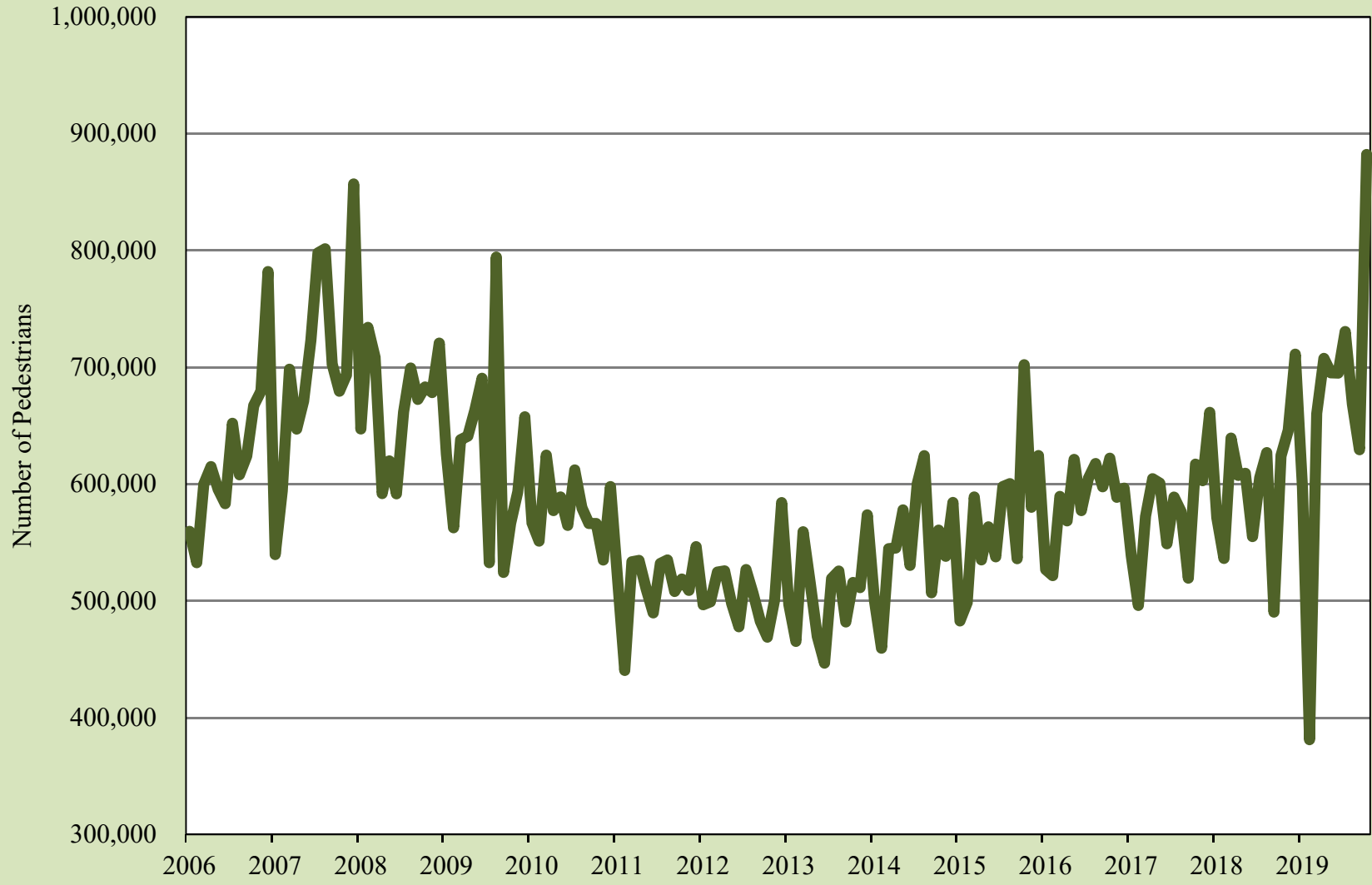
## Pedestrian International Bridge Crossings to El Paso



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection



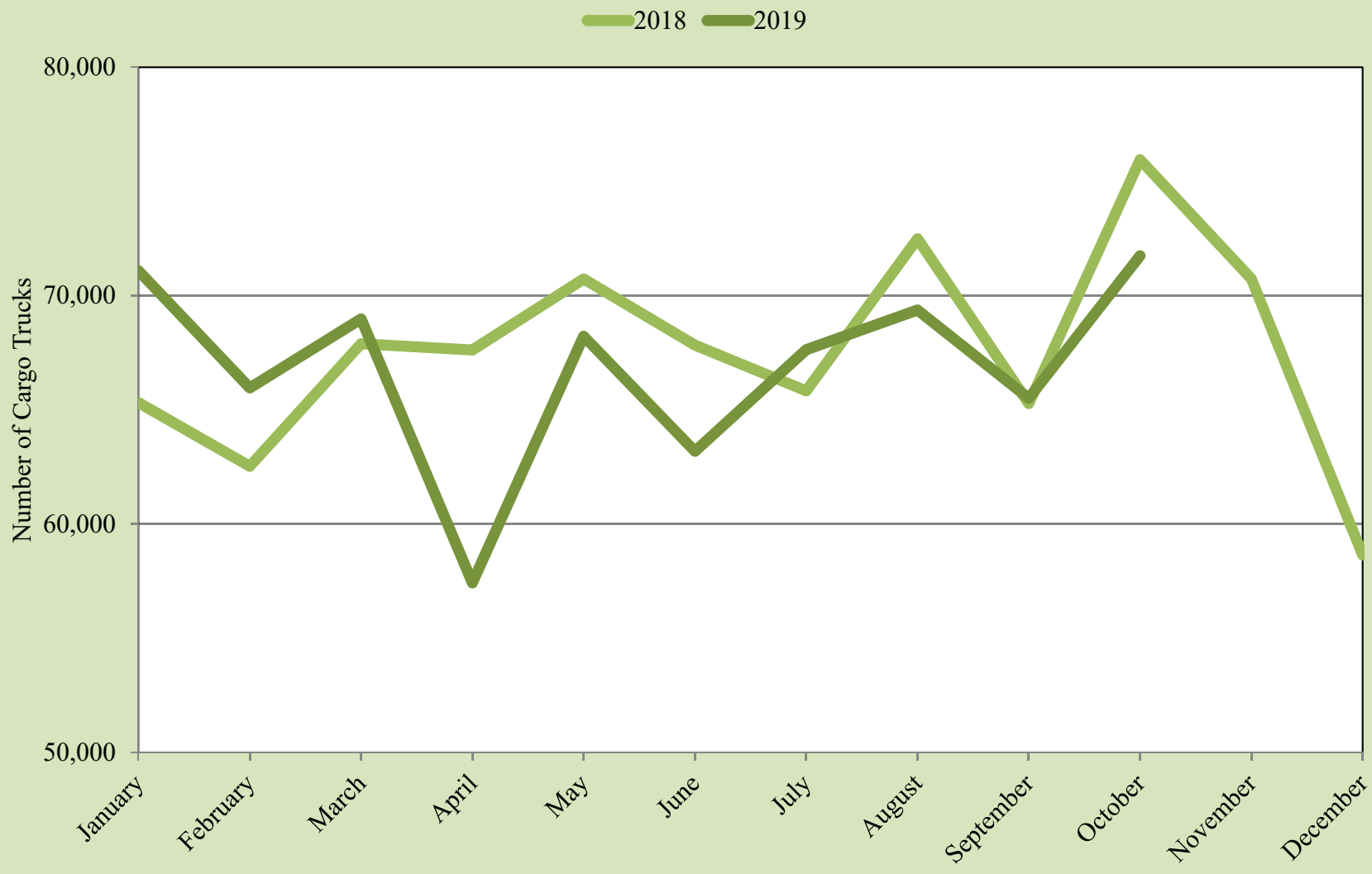
## Pedestrian International Bridge Crossings to El Paso



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection



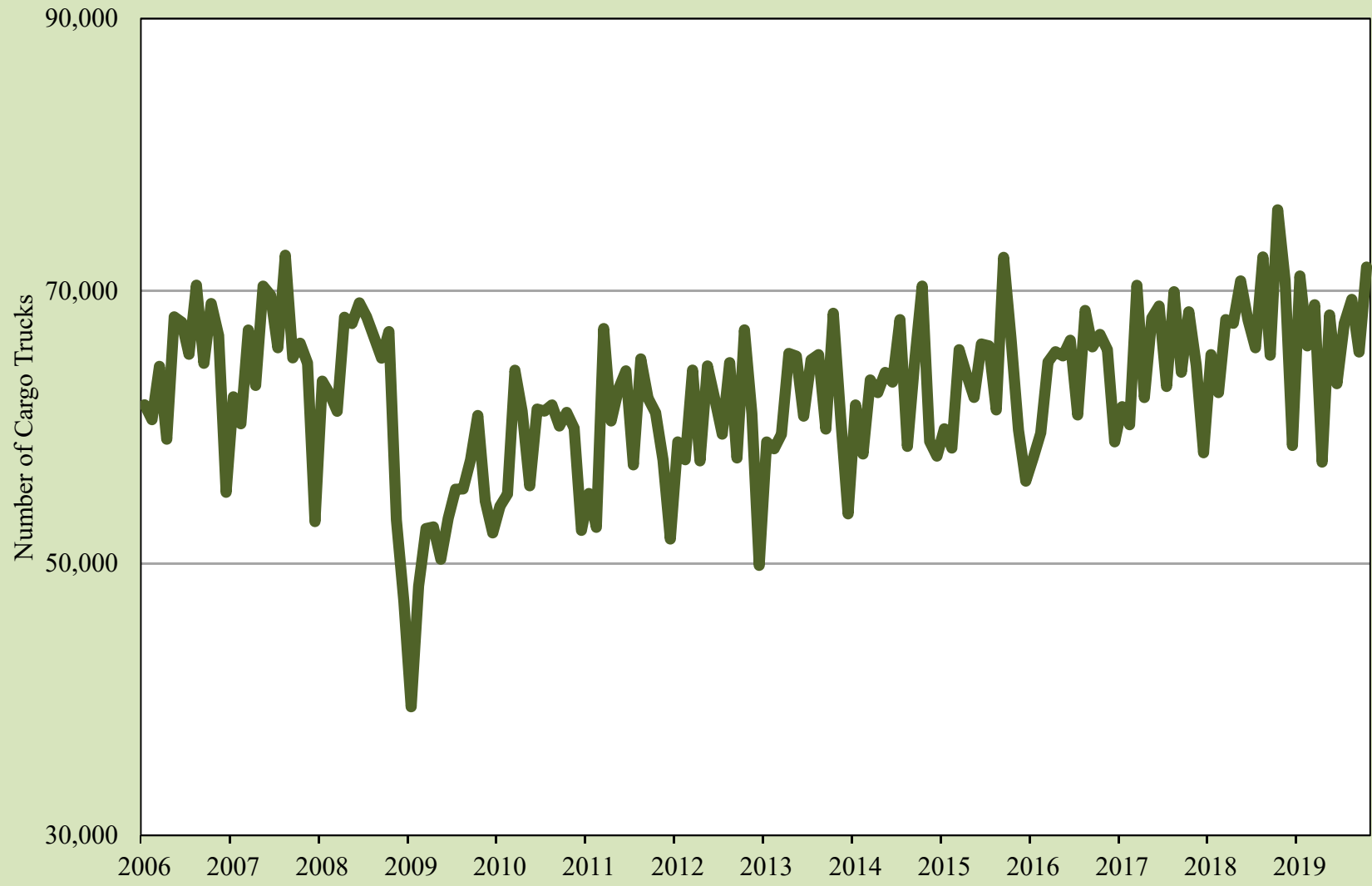
## Cargo Truck International Bridge Crossings to El Paso



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection



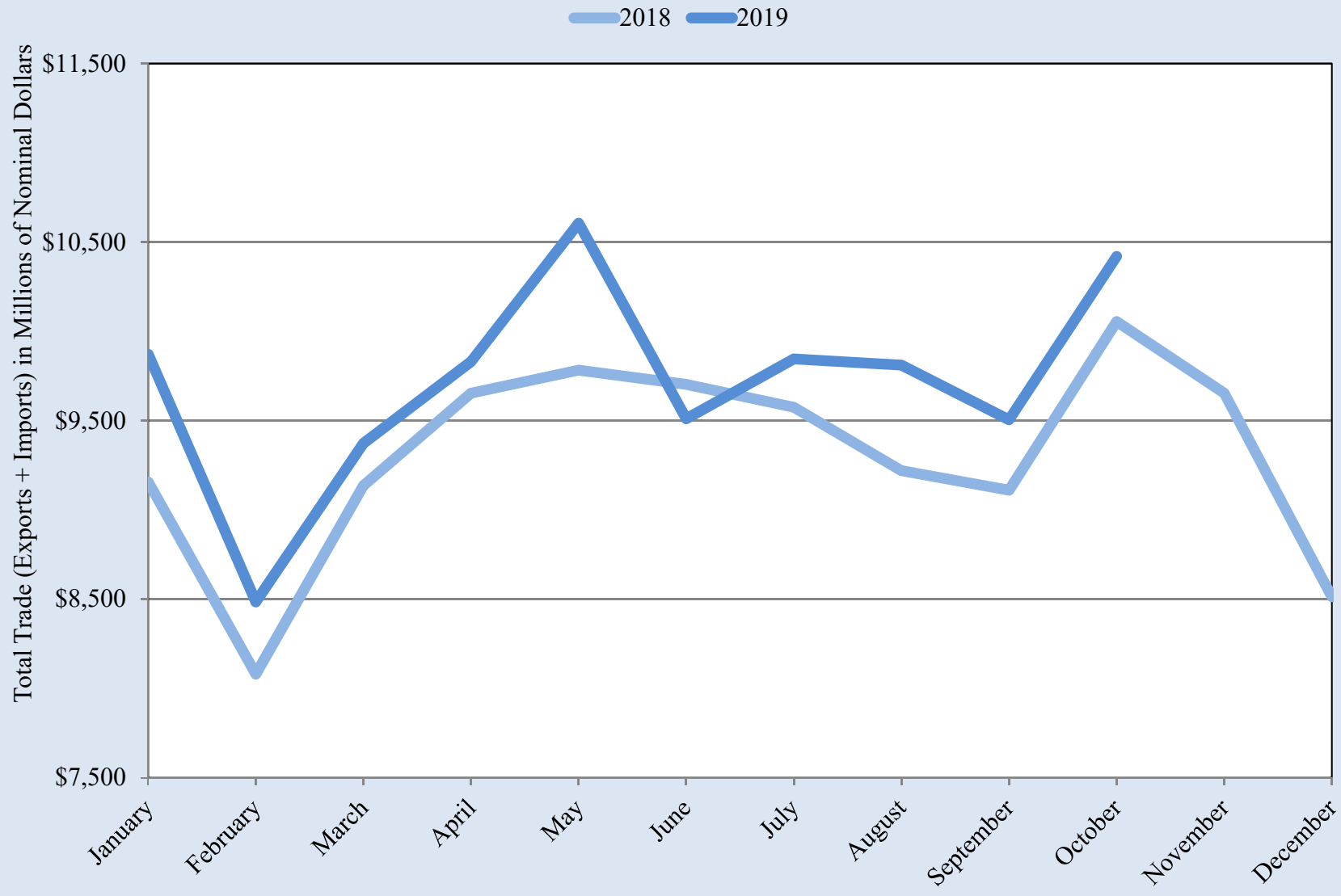
## Cargo Truck International Bridge Crossings to El Paso



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection



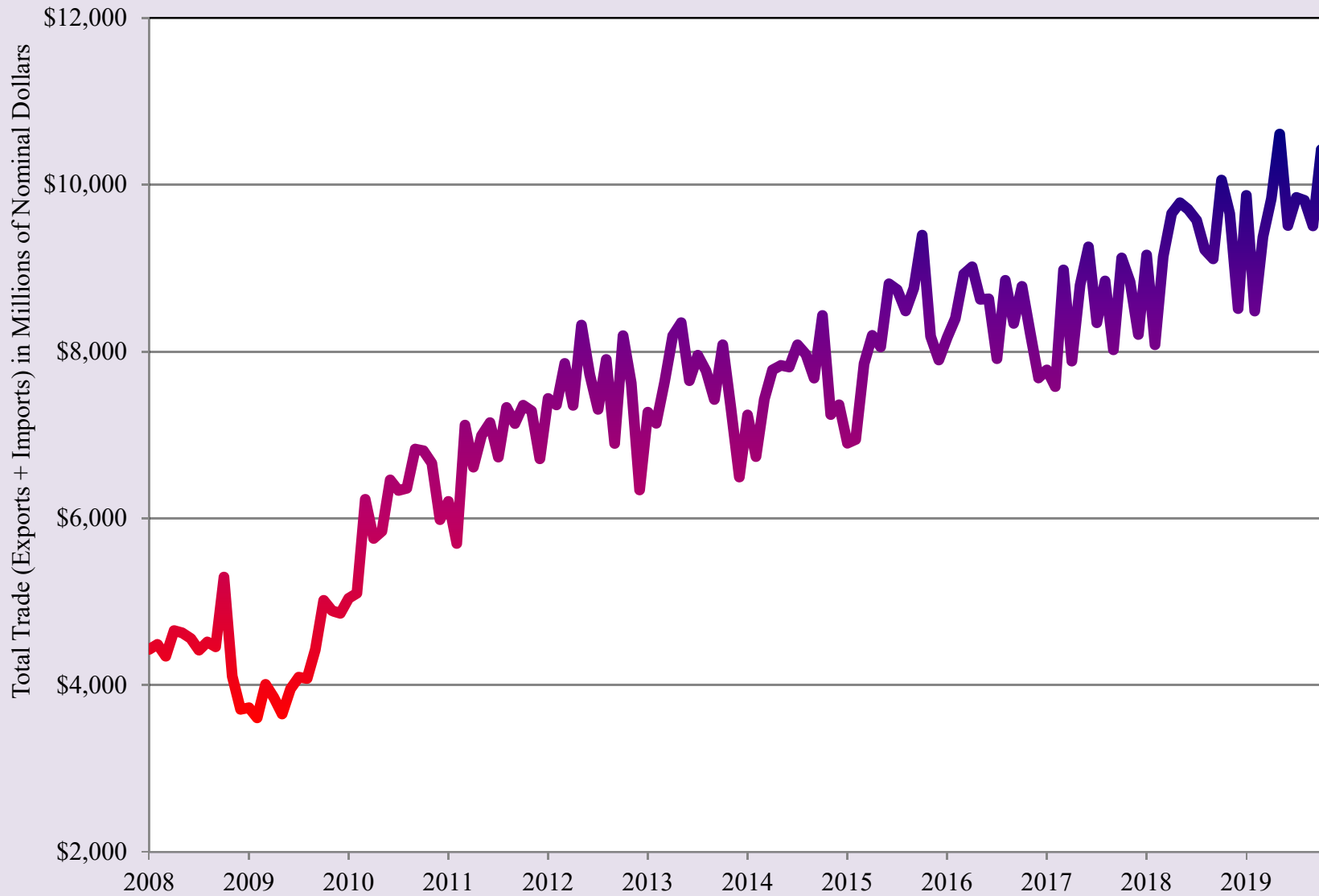
## Total Trade through the El Paso Customs District



Source: U.S. International Trade Commission



## Total Trade through the El Paso Customs District

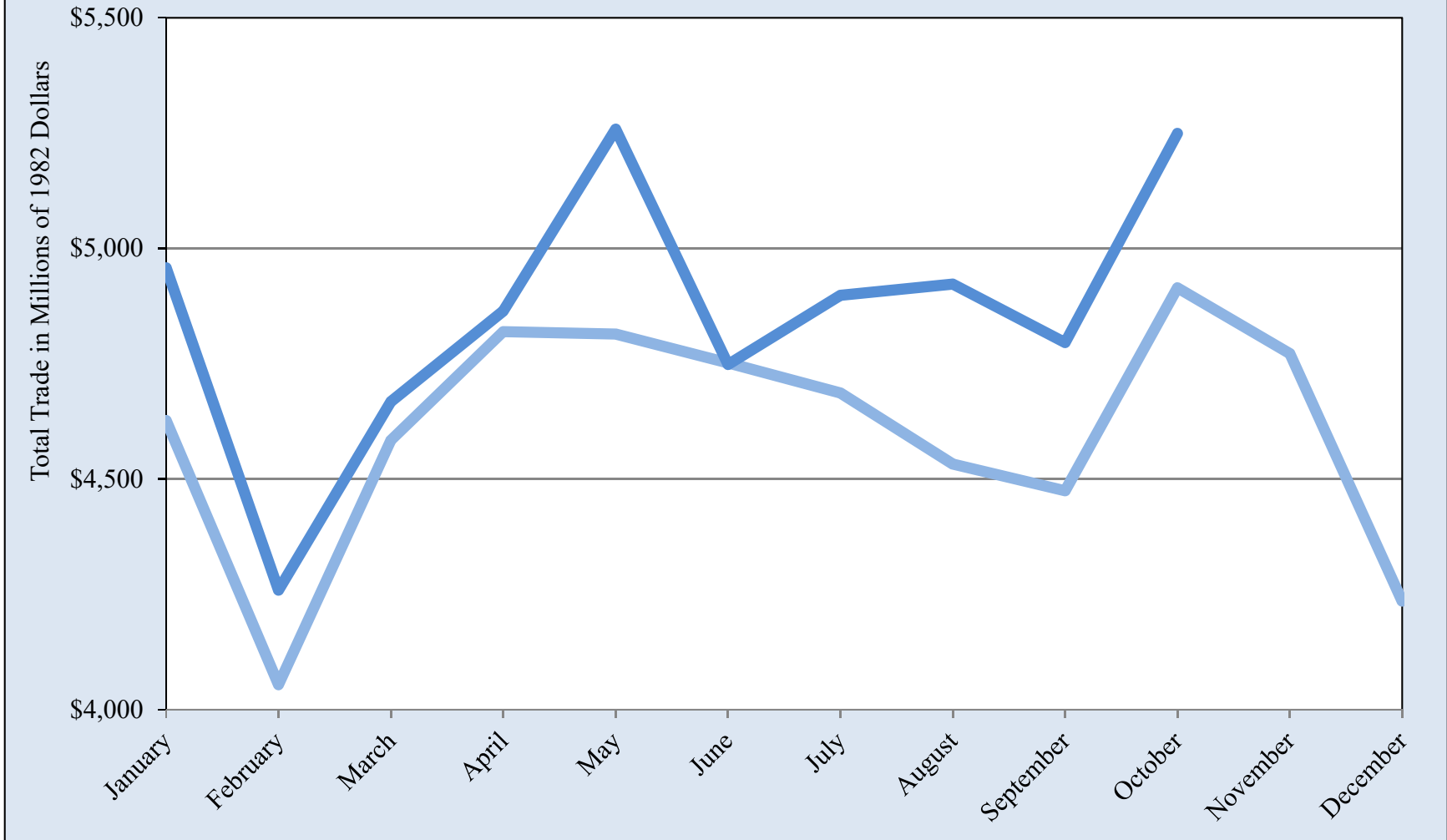


Source: U.S. International Trade Commission



## Real Total Trade through the El Paso Customs District

— 2018 — 2019

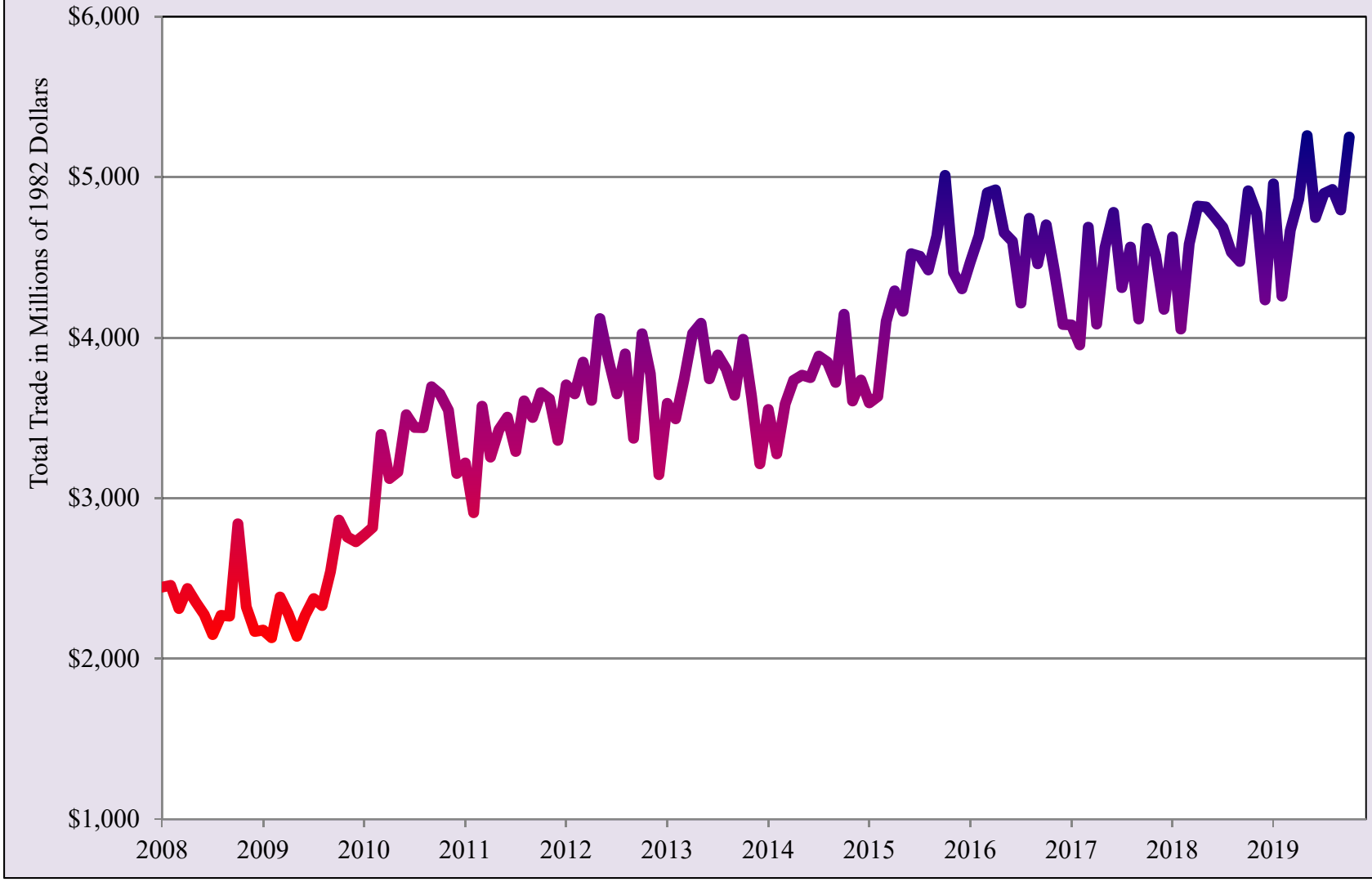


Source: U.S. International Trade Commission and Bureau of Labor Statistics





## Real Total Trade through the El Paso Customs District

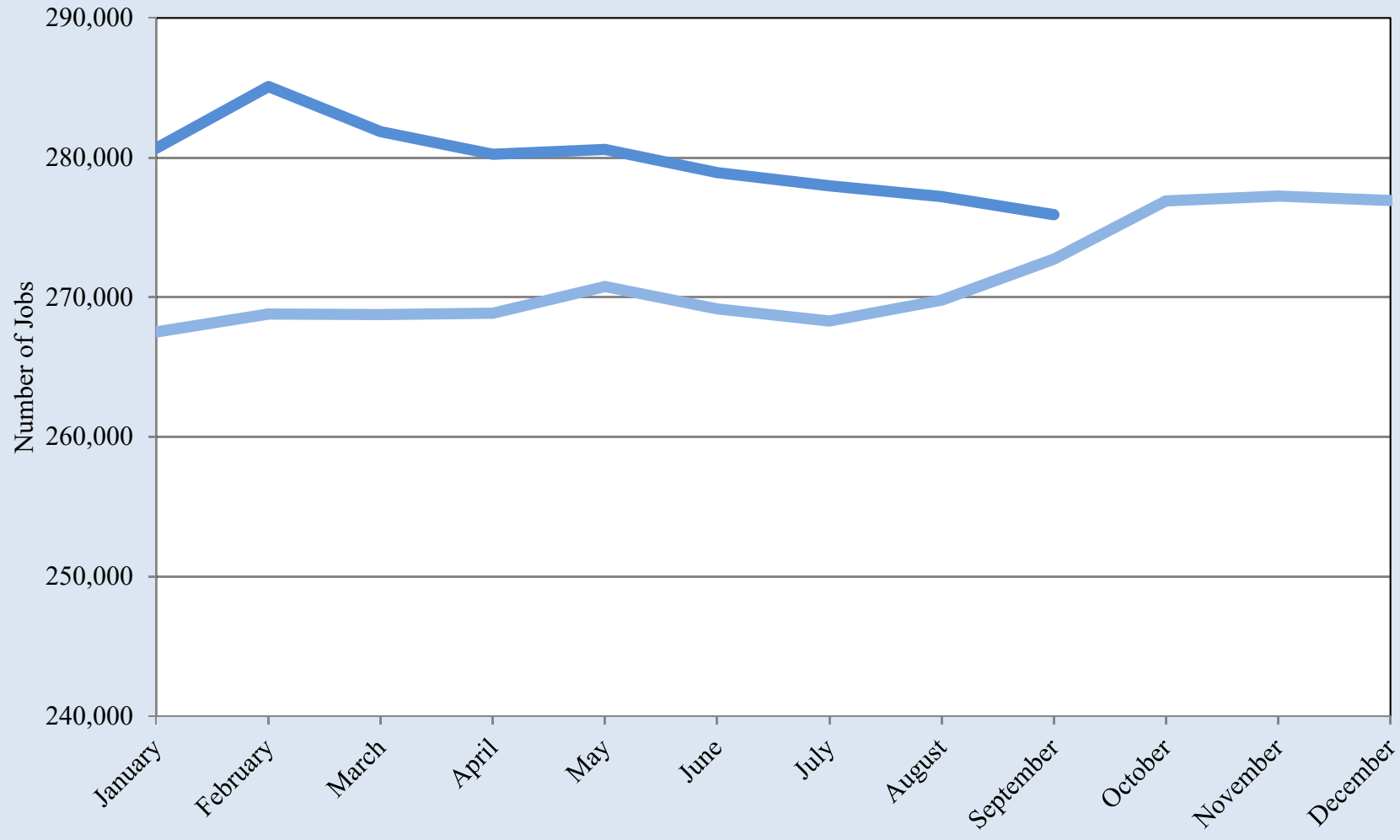


Source: U.S. International Trade Commission and Bureau of Labor Statistics



## Export-Oriented Manufacturing Employment in Ciudad Juárez

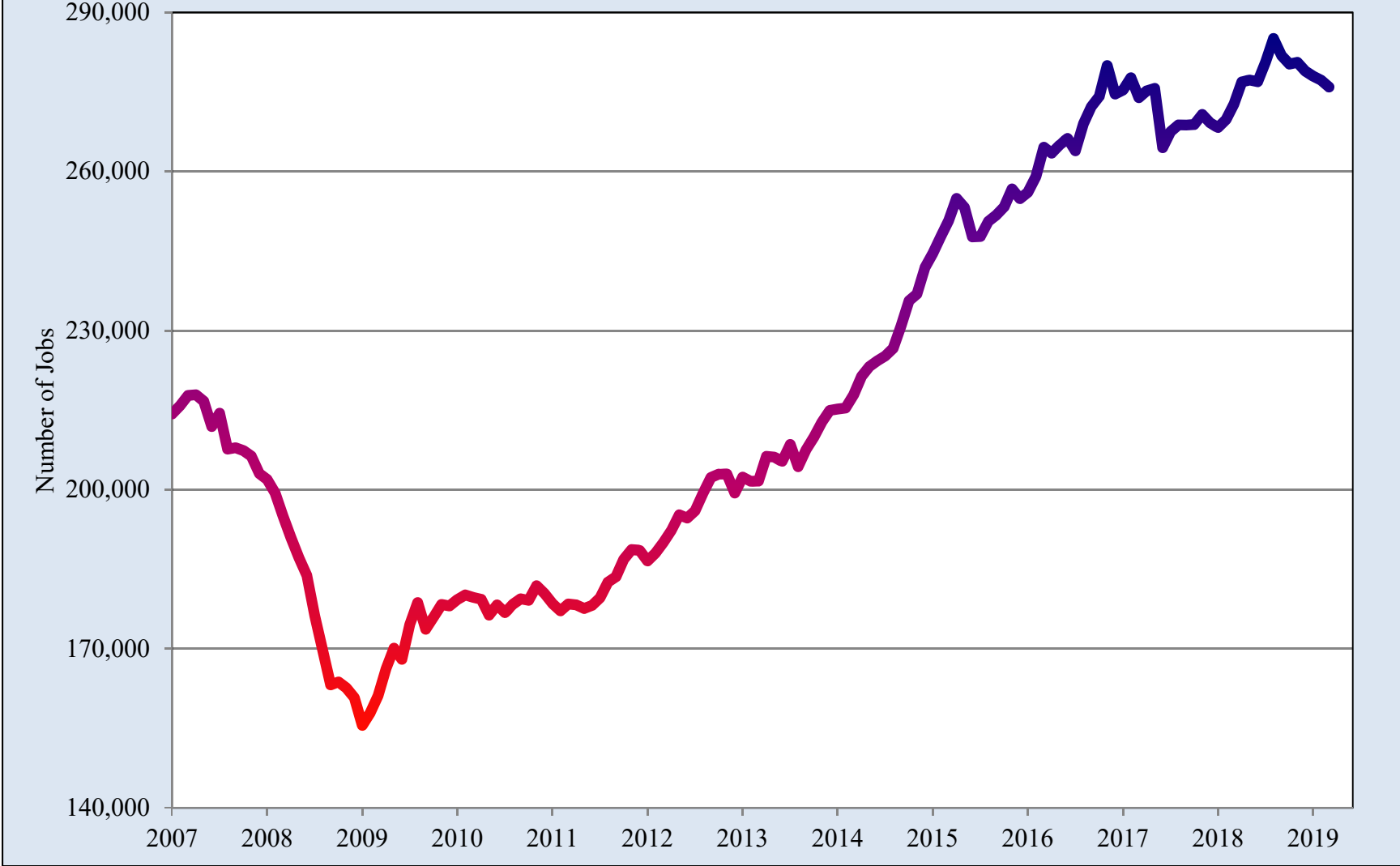
— 2018 — 2019



Source: INEGI



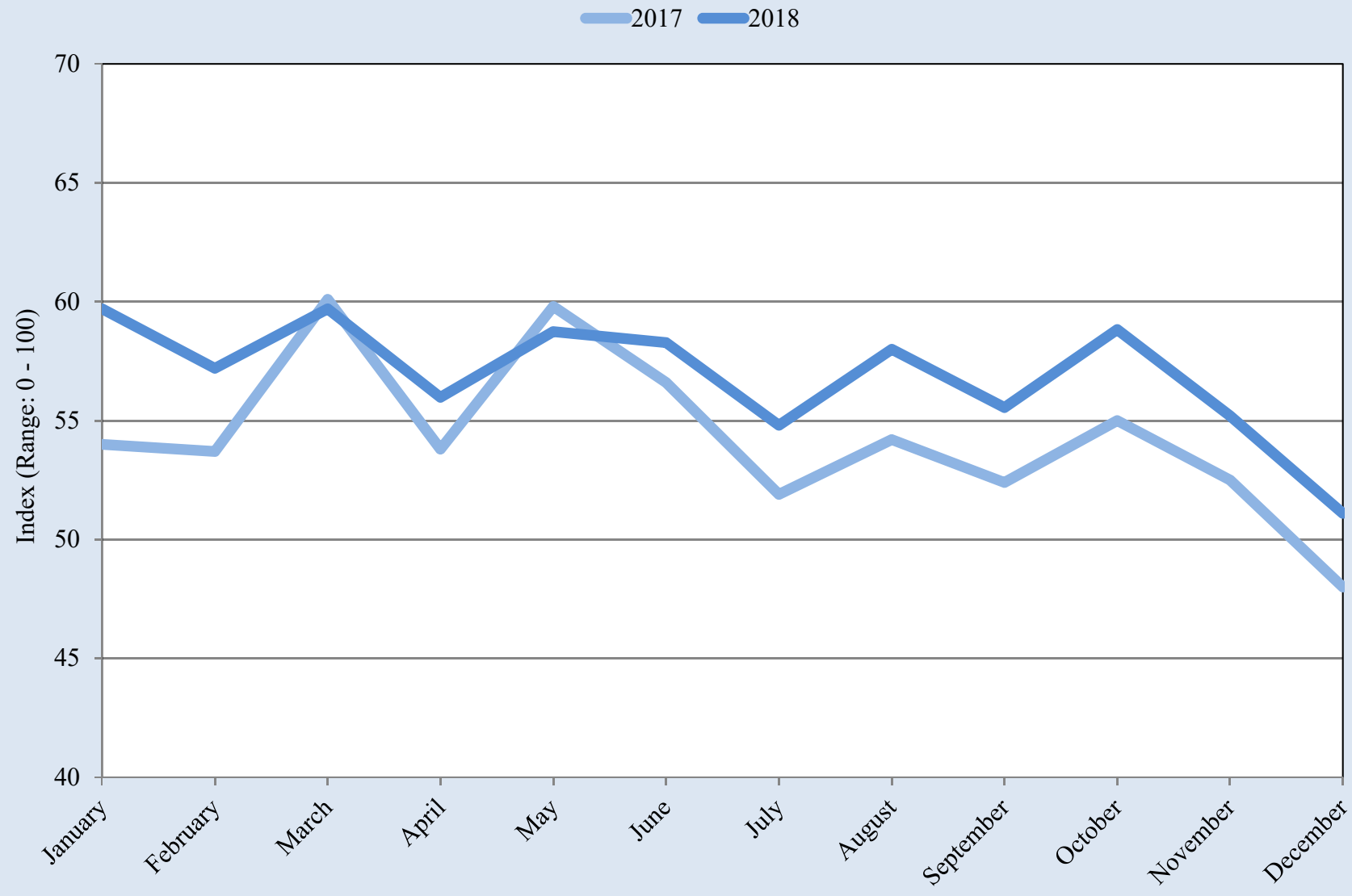
# Export-Oriented Manufacturing Employment in Ciudad Juárez



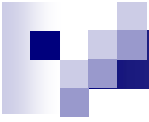
Source: INEGI



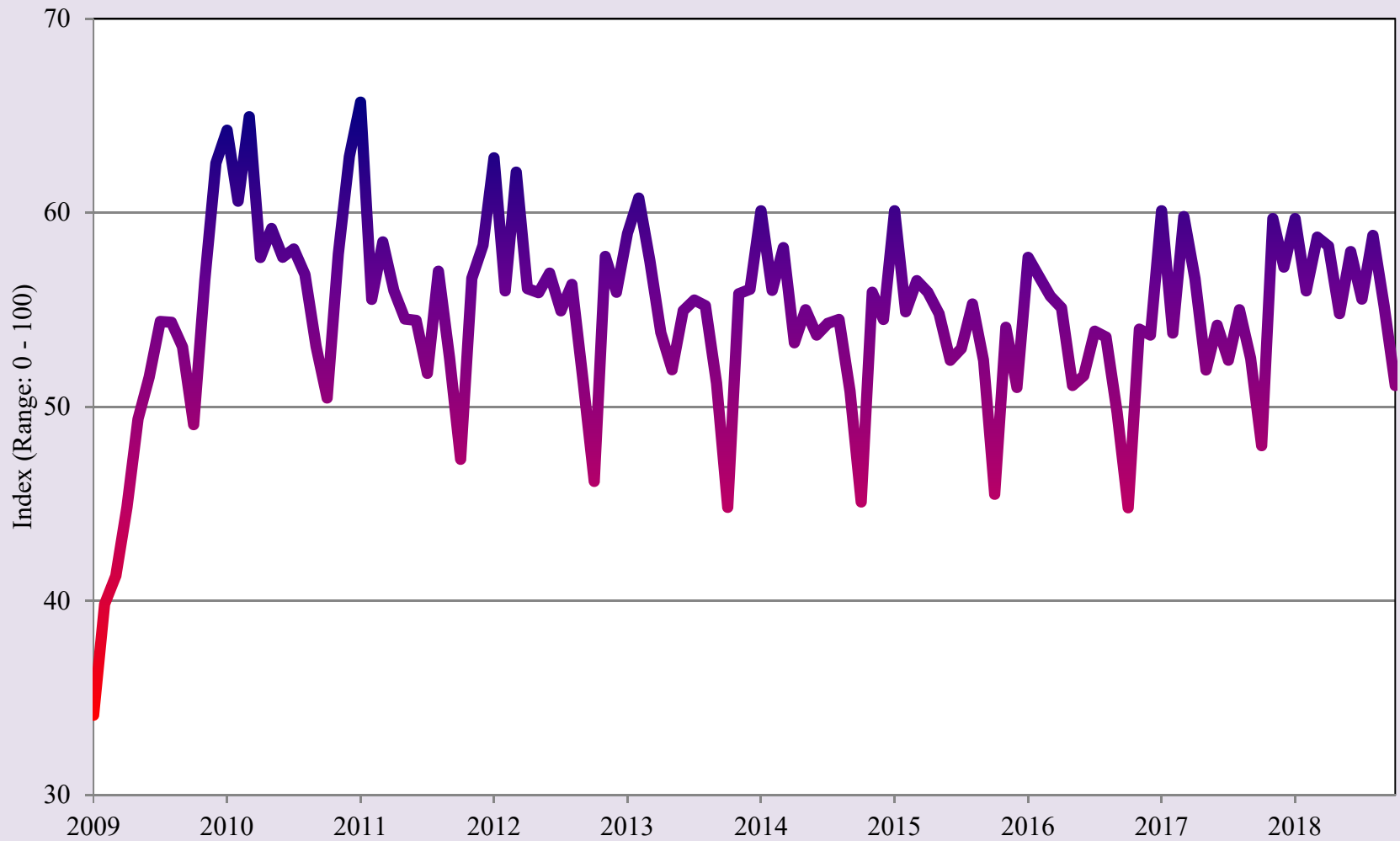
## Northern Mexico Manufacturing Orders Index



Source: Banco de México



## Northern Mexico Manufacturing Orders Index

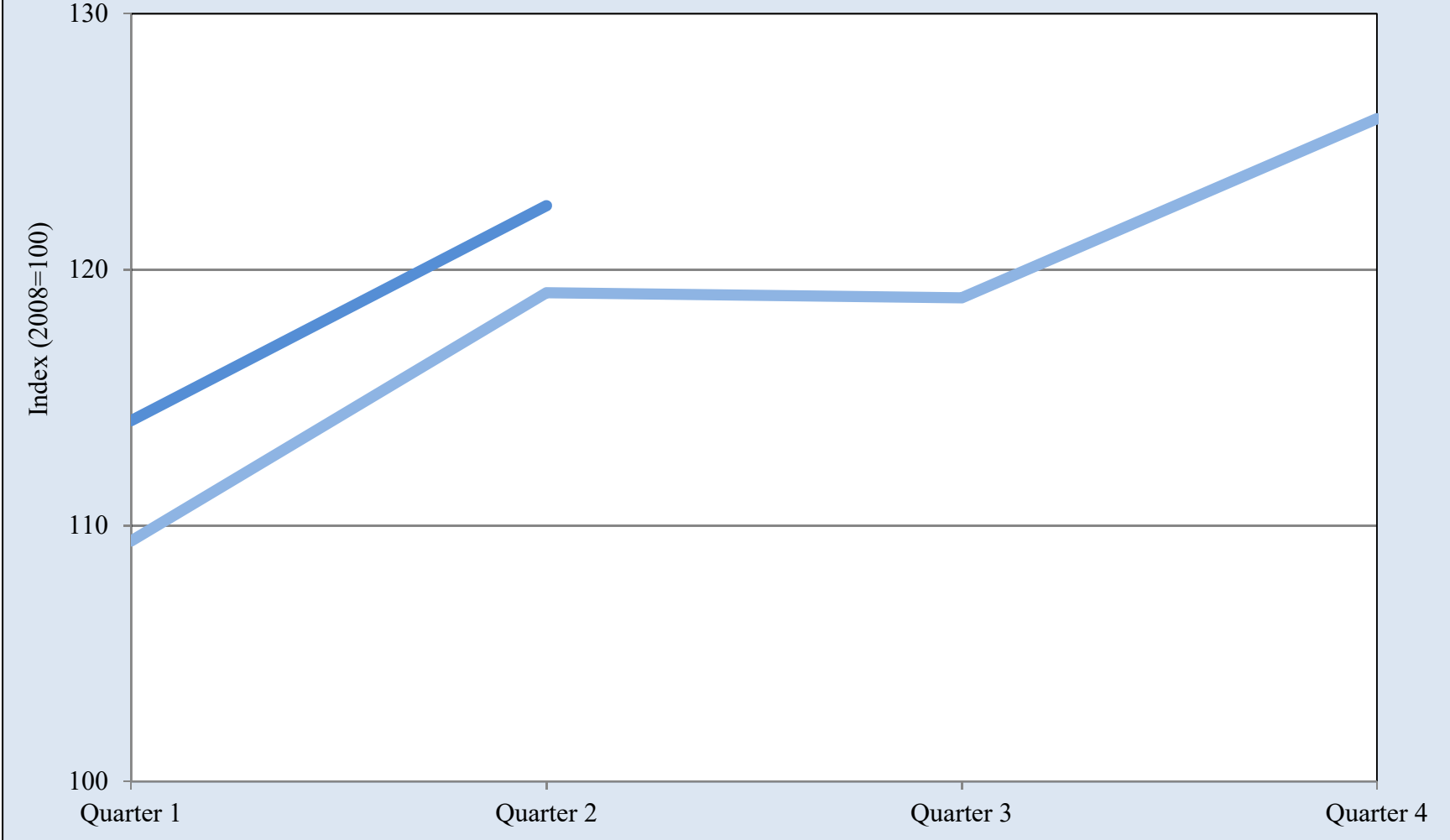


Source: Banco de México



# Quarterly Indicator of Economic Activity for the State of Chihuahua

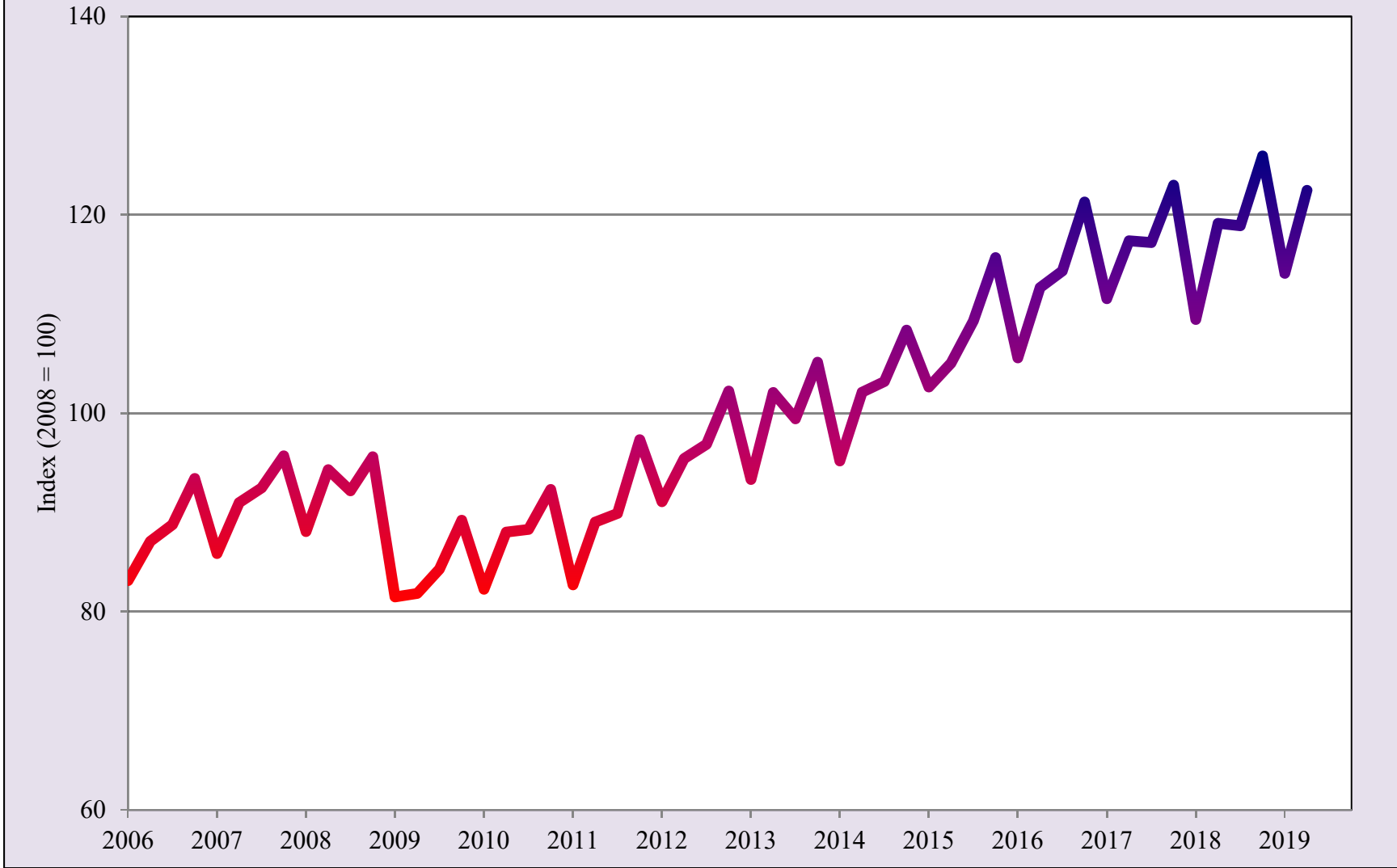
— 2018 — 2019



Source: INEGI



# Quarterly Indicator of Economic Activity for the State of Chihuahua

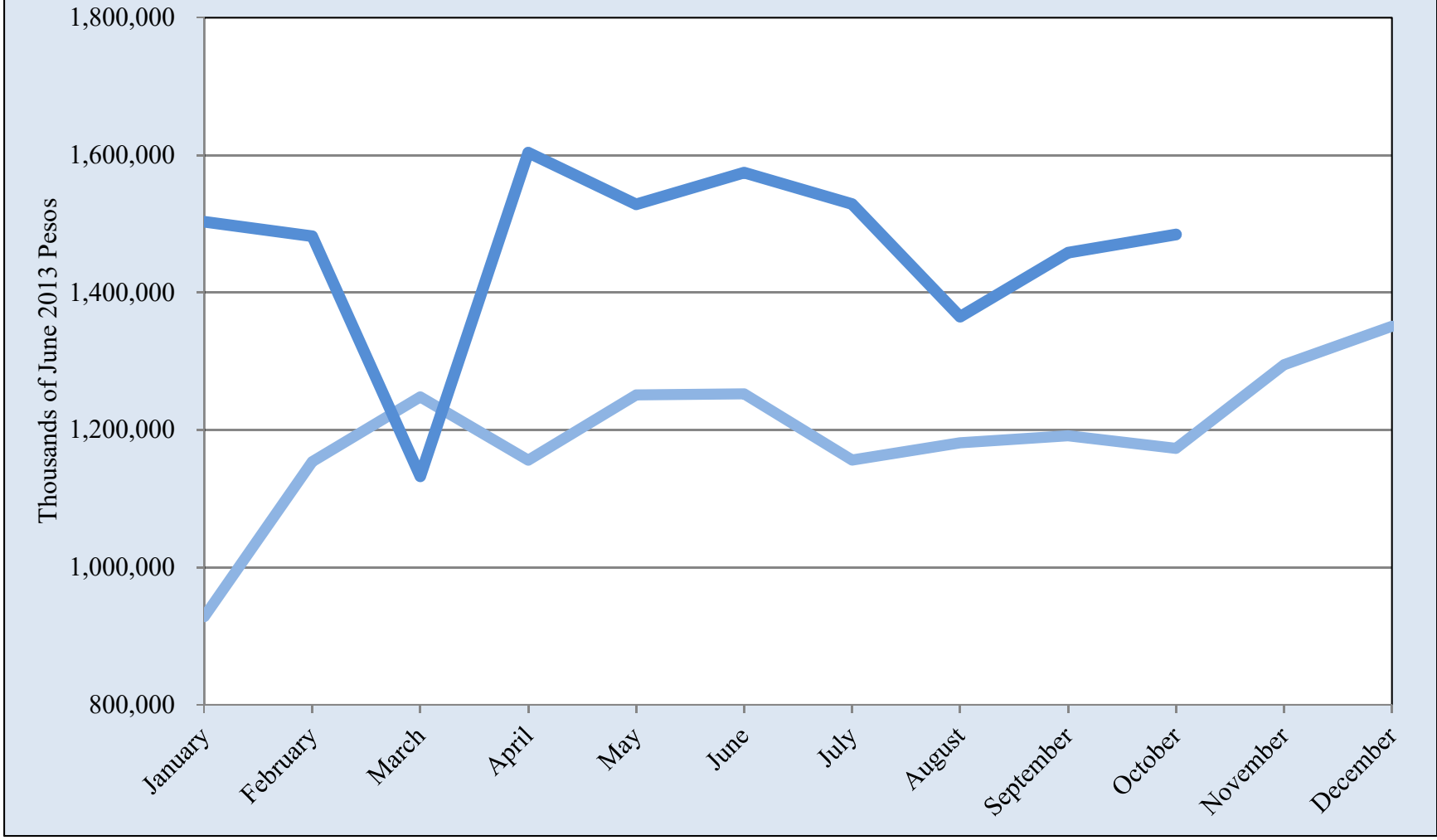


Source: INEGI



## Total Value of Construction in the State of Chihuahua

— 2018 — 2019

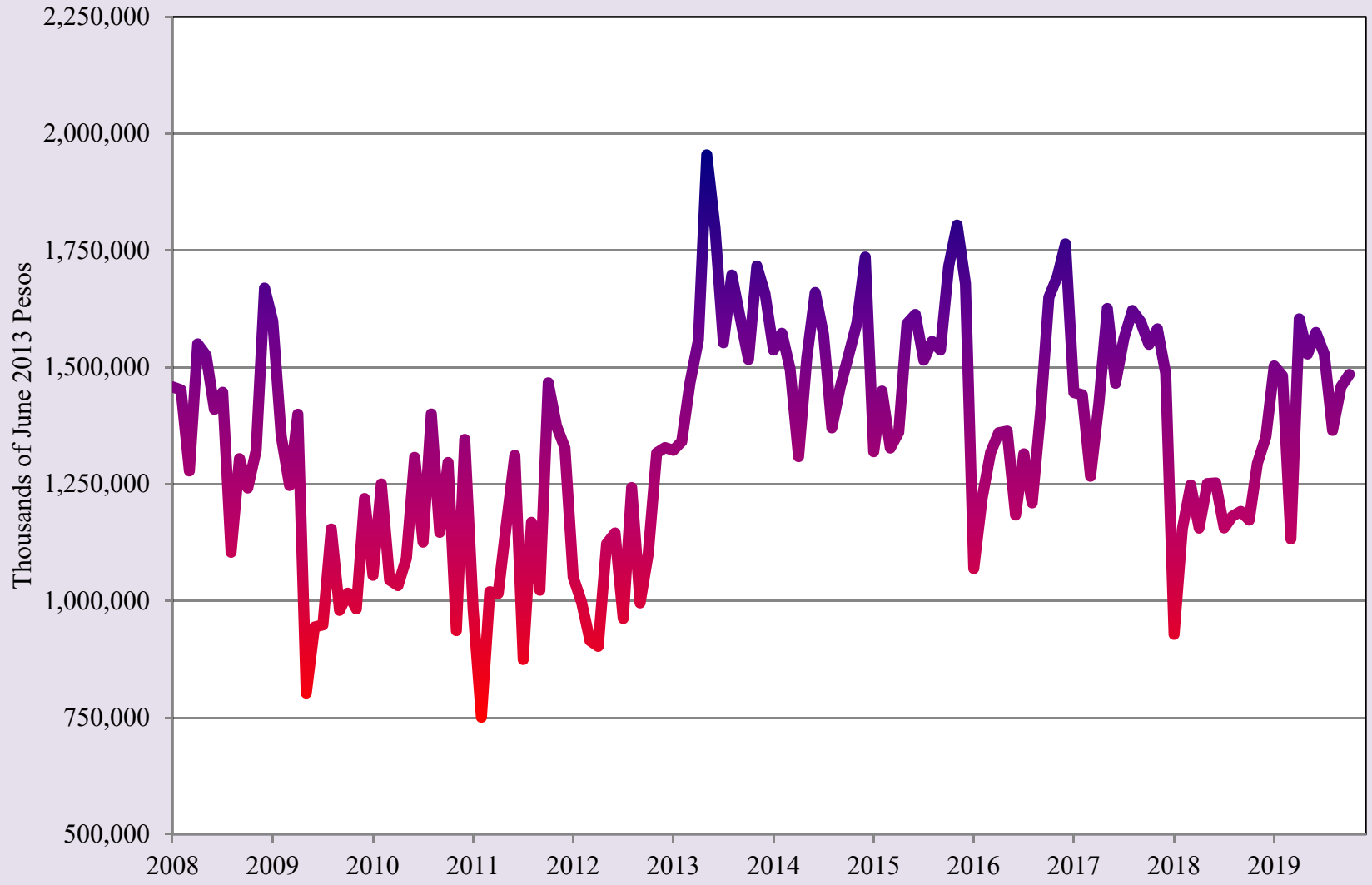


Source: INEGI

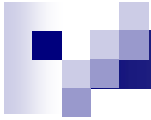




## Total Value of Construction in the State of Chihuahua

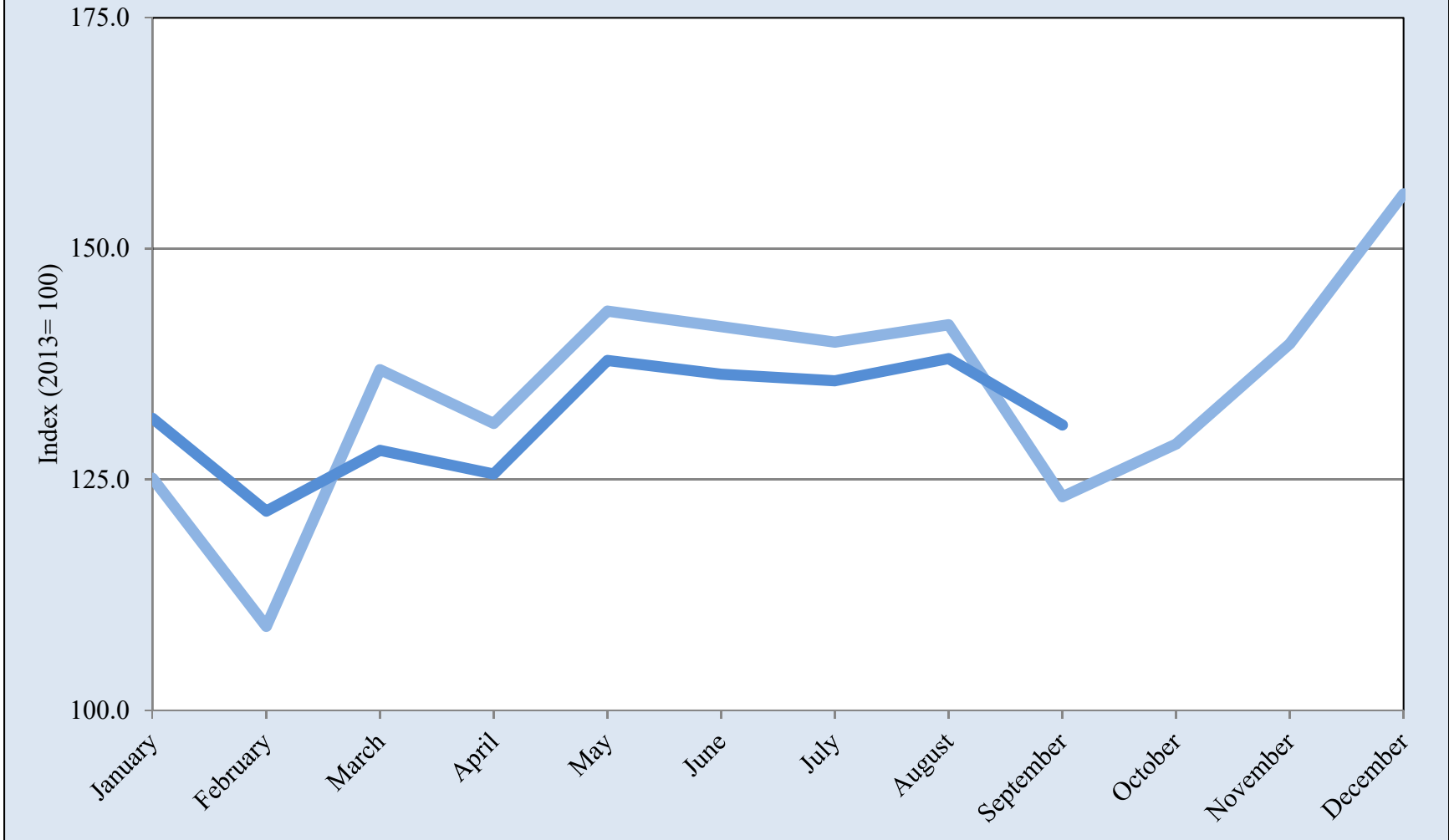


Source: INEGI



## Real Retail Activity Index for the State of Chihuahua

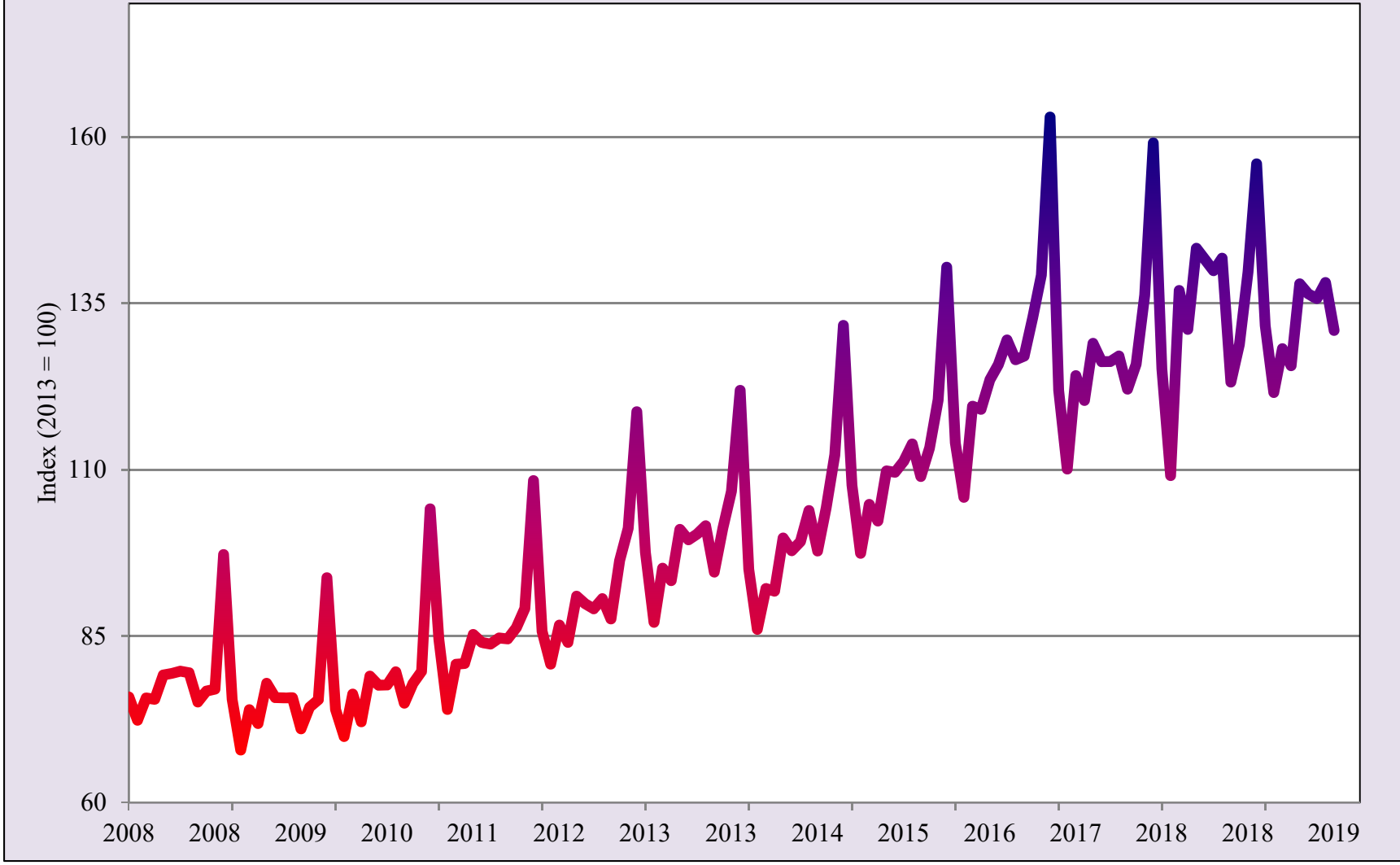
— 2018 — 2019



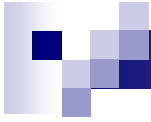
Source: INEGI



### Real Retail Activity Index for the State of Chihuahua



Source: INEGI



Short-Term  
Outlook to 2021



# BORDERPLEX BUSINESS BAROMETER

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***Borderplex Business Barometer*** is a monthly publication of the Border Region Modeling Project (BRMP), a research unit within the Department of Economics & Finance at the College of Business Administration of The University of Texas at El Paso. BRMP information is available at: <https://www.utep.edu/business/border-region-modeling-project/index.html>. For additional information, contact the Border Region Modeling Project - CBA 236, UTEP Department of Economics & Finance, 500 West University Avenue, El Paso, TX 79968-0543, USA, (915) 747-7775.