Borderplex Business Barometer, Volume 4, Number 7

Thomas M. Fullerton Jr.
Steven L. Fullerton
Ana Gutierrez Zubiate
Ignacio Santana

Follow this and additional works at: https://scholarworks.utep.edu/border_region

Part of the Regional Economics Commons

Comments:
Borderplex Business Barometer, Volume 4, Number 7

Recurrent Lockdown Complications

The coronavirus pandemic continues to affect the national and regional economies. Locally, the Federal Reserve Bank of Dallas El Paso Metropolitan Cycle Index rose by more than 17 points in June. While that is good news, the BRMP household economic stress index rose to 6.9, its worst reading since December 2014. Nationally, the prevailing state of economic weakness is confirmed by Treasury yields that remain substantially lower than year-ago levels at all maturities.

The El Paso County unemployment rate for June is 9.9 percent. The temporary Texas state mandate to re-close bars and re-cap restaurant capacities in late June may lead to a double-digit rate of joblessness again in July. El Paso County Supplemental Nutrition Program (SNAP or Food Stamp) enrollments rose by more than 6,900 recipients in June. Federal assistance programs are working, however, as SNAP counts are still substantially below June 2018 figures.

In spite of prevailing economic weakness, the median price for existing single-family housing units reached $175 thousand in June. In nominal terms, that is a new record for El Paso County. With only 1,399 units on the market, the months of housing inventory for El Paso fell to only 1.9 months, a level not approximated since October 2006 during the national housing boom. Also helping to drive local real estate prices skyward were 30-year and 15-year fixed mortgage rates that averaged 3.16 percent and 2.60 percent, respectively.

West Texas Intermediate Crude oil averaged $38.31 for a 42-gallon barrel in June, more than $16 per barrel below its year-ago level. Regular unleaded gasoline in El Paso sold for $1.92, on average, in June. That is 61 cents per gallon below the corresponding figure from 2019.

For June, the unemployment rate in Doña Ana County was 8.8 percent, 240 basis points above the June 2019 jobless rate. Renewed state government orders for ‘non-essential’ business closures in mid-July probably mean that Las Cruces joblessness will return to double digits. As elsewhere across the nation, leisure and hospitality continues to be the hardest hit sector. SNAP enrollments in May increased to 29,655, more than 2,600 recipients above the year-ago level.

Currency market jitters subsided somewhat in June with the real peso-per-dollar exchange rate index dropping to 132.33. In spite of that, a 60 percent gap separated the nominal exchange rate and the UTEP BRMP restaurant price ratio. The internet pharmaceutical price ratio held steady at just below 57 percent for a 15th consecutive month in June. Border wait times remained below 35 minutes at all three major bridges, while personal vehicle crossings remained below 800 thousand for a fourth consecutive month. Those developments are in contrast to northbound cargo traffic, which surged to nearly 62 thousand trucks in June. Trade through the El Paso Customs District will undoubtedly follow suit once the June and July estimates are published later this year. In concert with that prediction, the Northern Mexico Manufacturing Orders Index rebounded in June to 59.0, its most robust performance since March 2019.
El Paso Metropolitan Business Cycle Index

Source: Federal Reserve Bank of Dallas
El Paso Metropolitan Business Cycle Index

Source: Federal Reserve Bank of Dallas
Average Treasury Yield Curve Rates

Reflects 1 month, 2 month, 3 month, 6 month, 12 month, 2 yr, 3 yr, 5 yr, 7 yr, 10 yr, 20 yr, 30 yr.

Source: U.S. Treasury, Daily Treasury Yield Curve Rates and BRMP Calculations
El Paso Household Economic Stress Index

Source: UTEP Border Region Modeling Project
El Paso Household Economic Stress Index

Source: UTEP Border Region Modeling Project
Unemployment Rate (Not Seasonally Adjusted)

El Paso County Unemployment Rate

2018 2019 2020

Source: Bureau of Labor Statistics
El Paso County Unemployment Rate

Source: Bureau of Labor Statistics
El Paso County SNAP Enrollment. Three year period 2018–2020

Source: Texas Health and Human Services Commission
Starting in September, 2014, the number of SNAP recipients is recorded for the end of each month.

Source: Texas Health and Human Services Commission
El Paso Median Housing Prices

Source: Texas A&M Real Estate Center
Months of Housing Inventory for El Paso

Source: Texas A&M Real Estate Center
Months of Housing Inventory for El Paso

Source: Texas A&M Real Estate Center
El Paso Gasoline Prices

Source: GasBuddy.com
El Paso Gasoline Prices

Source: GasBuddy.com
Doña Ana County Unemployment Rate

Unemployment Rate (Not Seasonally Adjusted)

Source: Bureau of Labor Statistics
Doña Ana County Unemployment Rate

Unemployment Rate (Not Seasonally Adjusted)

Source: Bureau of Labor Statistics
Las Cruces Area SNAP (Food Stamp) Cases

Source: New Mexico Human Services Department
Las Cruces Area SNAP (Food Stamp) Cases

Source: New Mexico Human Services Department
Restaurant Price Ratio and Exchange Rate

Source: UTEP Border Region Modeling Project and Banco de Mexico
Restaurant Price Ratio and Exchange Rate

Source: UTEP Border Region Modeling Project and Banco de Mexico
Real Peso-per-Dollar Exchange Rate Index

Source: UTEP Border Region Modeling Project
Real Peso-per-Dollar Exchange Rate Index

Index (March 1997 = 100)

Source: UTEP Border Region Modeling Project
Pharmaceutical Nominal Price Ratio in the USA and Mexico

Source: UTEP Border Region Modeling Project, healthwarehouse.com, medicinesmexico.com, medsmex.com
Paso del Norte Monthly Wait Times

Source: UTEP Border Region Modeling Project
Ysleta Monthly Wait Times

Source: UTEP Border Region Modeling Project
Monthly Border Wait Times

Source: UTEP Border Region Modeling Project
**Personal Vehicle International Bridge Crossings to El Paso**

![Graph showing the number of personal vehicle international bridge crossings to El Paso from 2018 to 2020. The graph is color-coded with blue for 2018, red for 2019, and green for 2020.](image)

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Pedestrians</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>990,000</td>
</tr>
<tr>
<td>2019</td>
<td>890,000</td>
</tr>
<tr>
<td>2020</td>
<td>790,000</td>
</tr>
</tbody>
</table>

Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection
Pedestrian International Bridge Crossings to El Paso

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Pedestrians</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>990,000</td>
</tr>
<tr>
<td>2007</td>
<td>890,000</td>
</tr>
<tr>
<td>2008</td>
<td>790,000</td>
</tr>
<tr>
<td>2009</td>
<td>690,000</td>
</tr>
<tr>
<td>2010</td>
<td>590,000</td>
</tr>
<tr>
<td>2011</td>
<td>490,000</td>
</tr>
<tr>
<td>2012</td>
<td>390,000</td>
</tr>
<tr>
<td>2013</td>
<td>290,000</td>
</tr>
<tr>
<td>2014</td>
<td>190,000</td>
</tr>
<tr>
<td>2015</td>
<td>90,000</td>
</tr>
</tbody>
</table>

Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection
Cargo Truck International Bridge Crossings to El Paso

Number of Cargo Trucks:
- 2018
- 2019
- 2020

Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection
Cargo Truck International Bridge Crossings to El Paso

Number of Cargo Trucks


Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection
### Total Trade through the El Paso Customs District

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feb</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mar</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apr</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jun</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jul</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aug</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sep</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oct</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nov</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**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

Real Total Trade through the El Paso Customs District

Total Trade in Millions of 1982 Dollars

## Export-Oriented Manufacturing Employment in Ciudad Juárez

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>290,000</td>
</tr>
<tr>
<td>2019</td>
<td>280,000</td>
</tr>
<tr>
<td>2020</td>
<td>270,000</td>
</tr>
</tbody>
</table>

Source: INEGI
Export-Oriented Manufacturing Employment in Ciudad Juárez

Source: INEGI
Northern Mexico Manufacturing Orders Index

Source: Banco de México
Quarterly Indicator of Economic Activity for the State of Chihuahua

Index (2008=100)

Quarter 1 Quarter 2 Quarter 3 Quarter 4

Source: INEGI
Quarterly Indicator of Economic Activity for the State of Chihuahua

Index (2008 = 100)

Source: INEGI
Thousands of June 2013 Pesos

Total Value of Construction in the State of Chihuahua

2018 2019 2020

1,800,000
1,600,000
1,400,000
1,200,000
1,000,000
800,000

Source: INEGI
Total Value of Construction in the State of Chihuahua

Source: INEGI
Real Retail Activity Index for the State of Chihuahua

Source: INEGI
Real Retail Activity Index for the State of Chihuahua

Source: INEGI
Short-Term Outlook to 2021
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.