

11-2020

## **Borderplex Business Barometer, Volume 4, Number 11**

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T.M. Fullerton, Jr., S.L. Fullerton, A.P. Gutierrez-Zubiate, and I. Santana-Ramirez, 2020, "Covid-19 Business Cycle Convulsions" *Borderplex Business Barometer* 4(11), 1-58.

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# BORDERPLEX BUSINESS BAROMETER

**November 2020**

**Border Region Modeling Project**

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Modeling Project (click here)**

*Border Commerce & Economics*

**Borderplex Business Barometer, Volume 4, Number 11**

**Covid-19 Business Cycle Convulsions**

The Federal Reserve Bank of Dallas El Paso Metropolitan Business Cycle Index rose by 2.8 percentage points in October. That increase more than offset the September decline. Unfortunately, the recent Covid-19 upsurge means that another reversal will likely occur once the November data are tallied.

The El Paso unemployment rate dipped to 7.2 percent in October. Although the jobless rate remains substantially higher than year-ago levels, it is below the rates observed during the recovery period following the Great Recession of 2008. That allowed the BRMP Household Economic Stress Index to improve in October. The latter development bodes well for commercial activity during the homestretch of the 2020 holiday season.

Supplemental Nutritional Assistance Program (SNAP or food stamp) enrollments declined in October. While SNAP counts have remained above year-ago levels from April forward, the gap is relatively small. Beyond that, the Federal stimulus packages have prevented El Paso SNAP participation from reaching some of the higher volumes registered over the course of the last 15 years.

The median price for single-family housing units set another record in October. Low mortgage rates plus tight housing supplies contributed to this performance. The months of housing inventory held steady at 1.4 for a second straight month in October. In contrast to housing, gasoline inventories have been sufficiently ample that regular unleaded prices continued below year-ago levels for an eighth consecutive month.

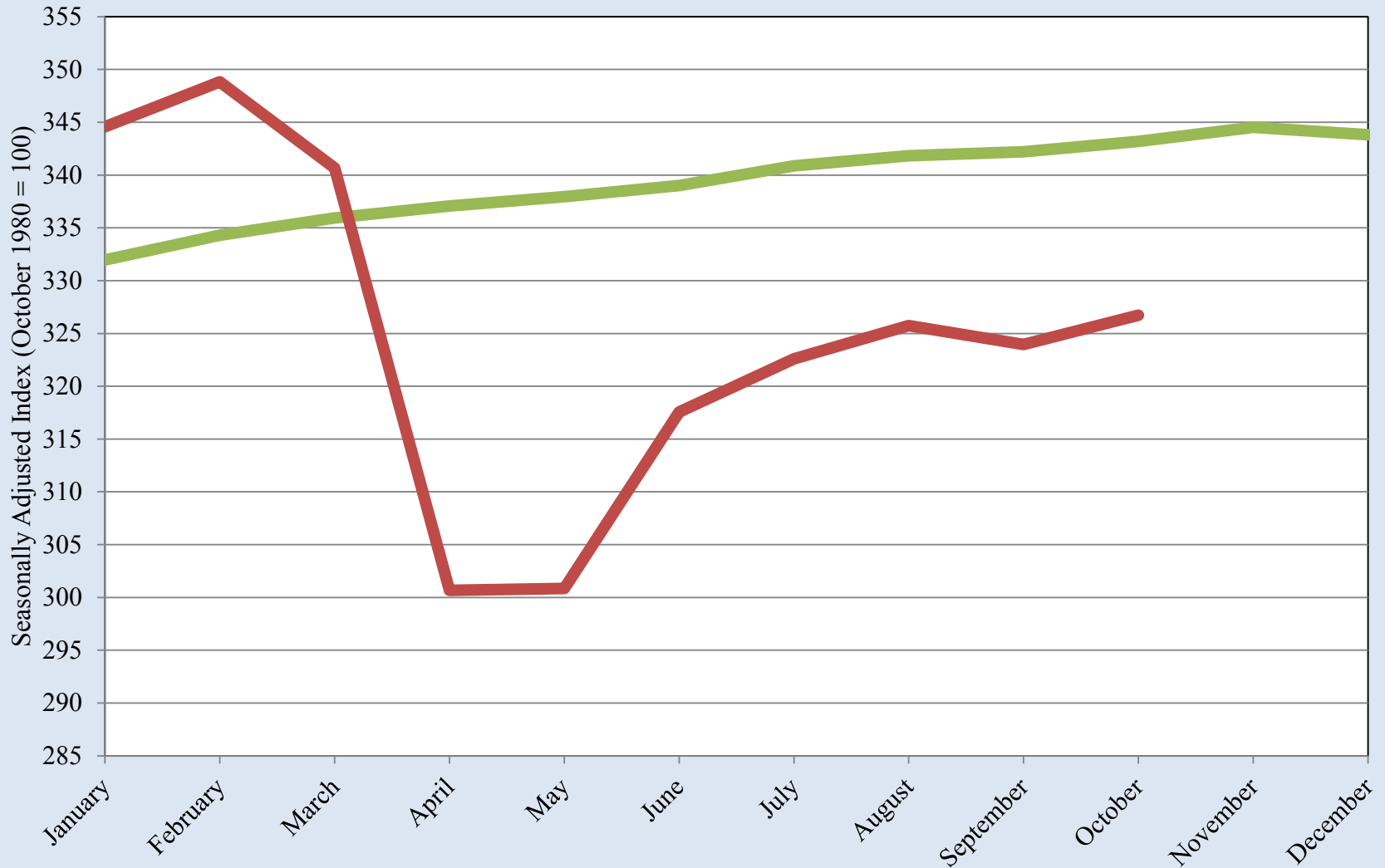
The Las Cruces unemployment rate averaged 7.4 percent in October, 230 basis points above the rate posted during the same month in 2019. Job losses have accrued in every major employment category across the Mesilla Valley, with leisure and Hospitality the most severely impacted. In spite of that, Las Cruces SNAP enrollments fell below 28 thousand for the first time since April.

The gap separating the nominal exchange rate and Borderplex restaurant price ratio declined to 47 percent in October. While still large on a historical basis, it is much smaller than the 64 percent breach between the two April measures. The nominal exchange rate has remained above 20 pesos per dollar since the North American eruption of the pandemic in March. The BRMP nominal price ratio for Brand Name Medicines in Mexico was 42 percent below the online price average for the same medicines in the United States. That is the smallest mark for that ratio since June 2013. The online prices do not include the cost of doctor appointments, or shipping and handling costs.

Ciudad Juarez export-oriented manufacturing employment jumped to 289,349 in August, a 4.4 percent increase relative to the same month in 2019. The October reading Northern Mexico Manufacturing Orders indicates that additional payroll expansions are likely in September and October. Along those same lines, Chihuahua state real retail activity climbed to within 5 percent of its year-ago level in August.

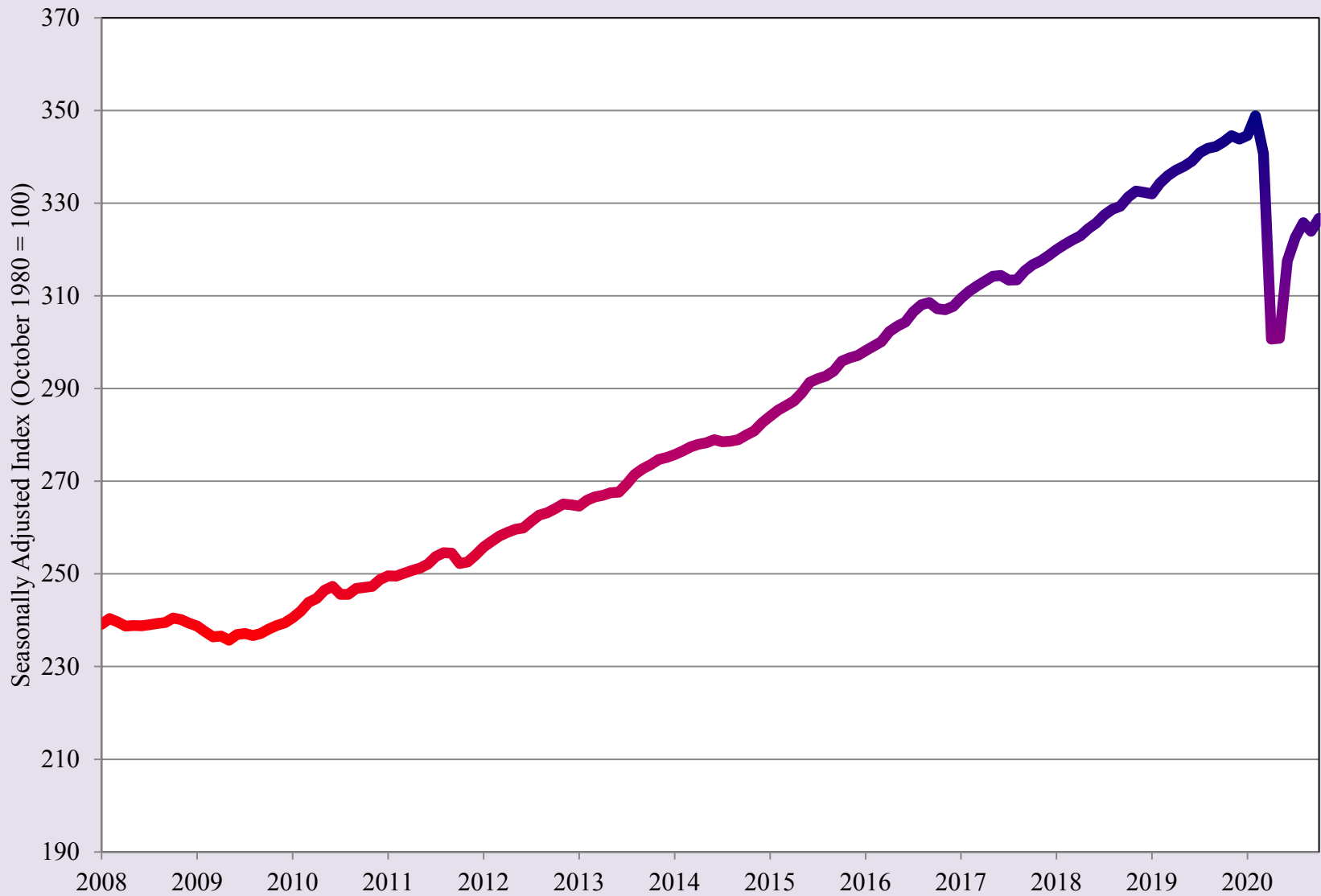
# El Paso Metropolitan Business Cycle Index

2019 2020



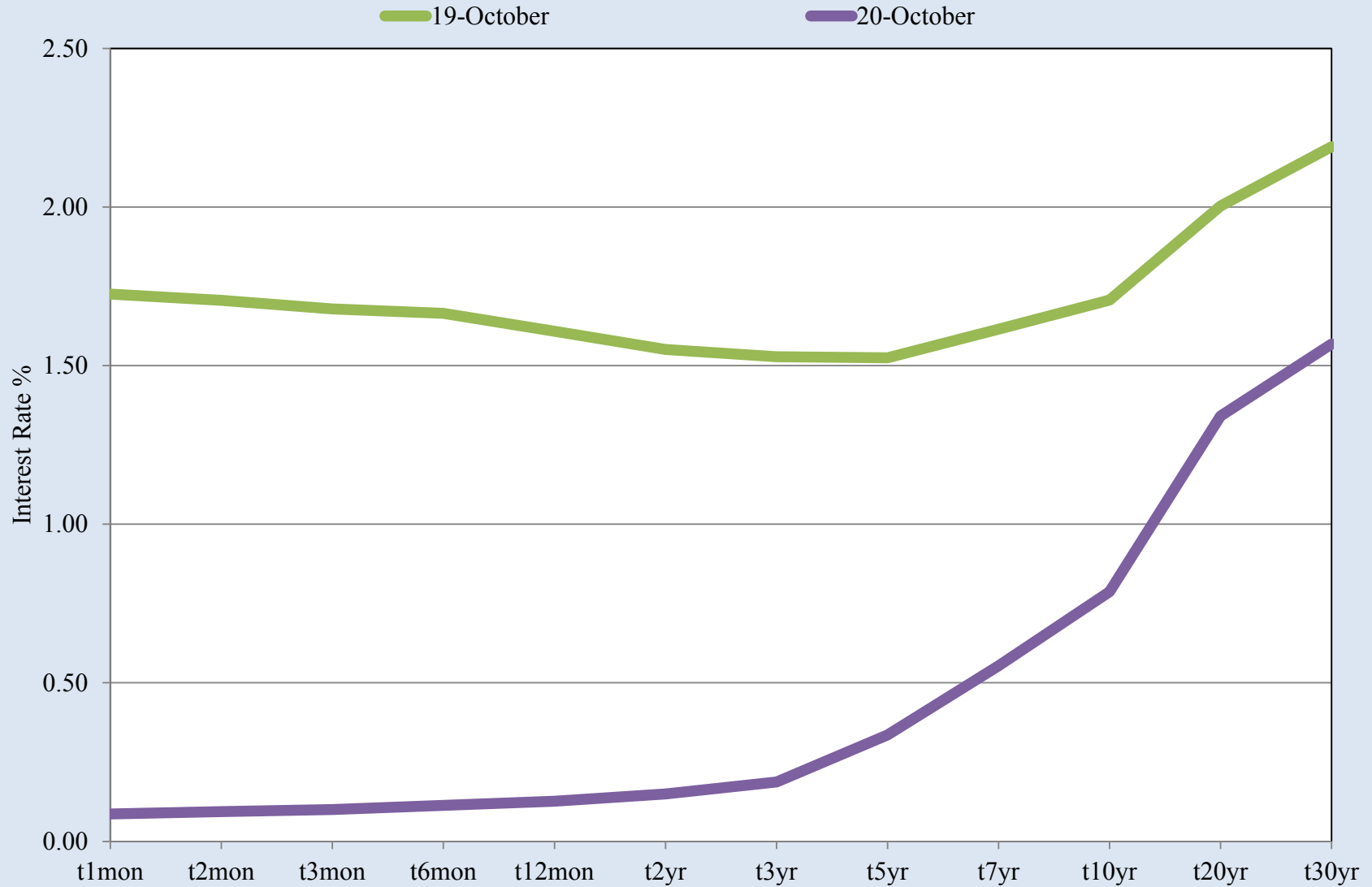
Source: Federal Reserve Bank of Dallas

## El Paso Metropolitan Business Cycle Index



Source: Federal Reserve Bank of Dallas

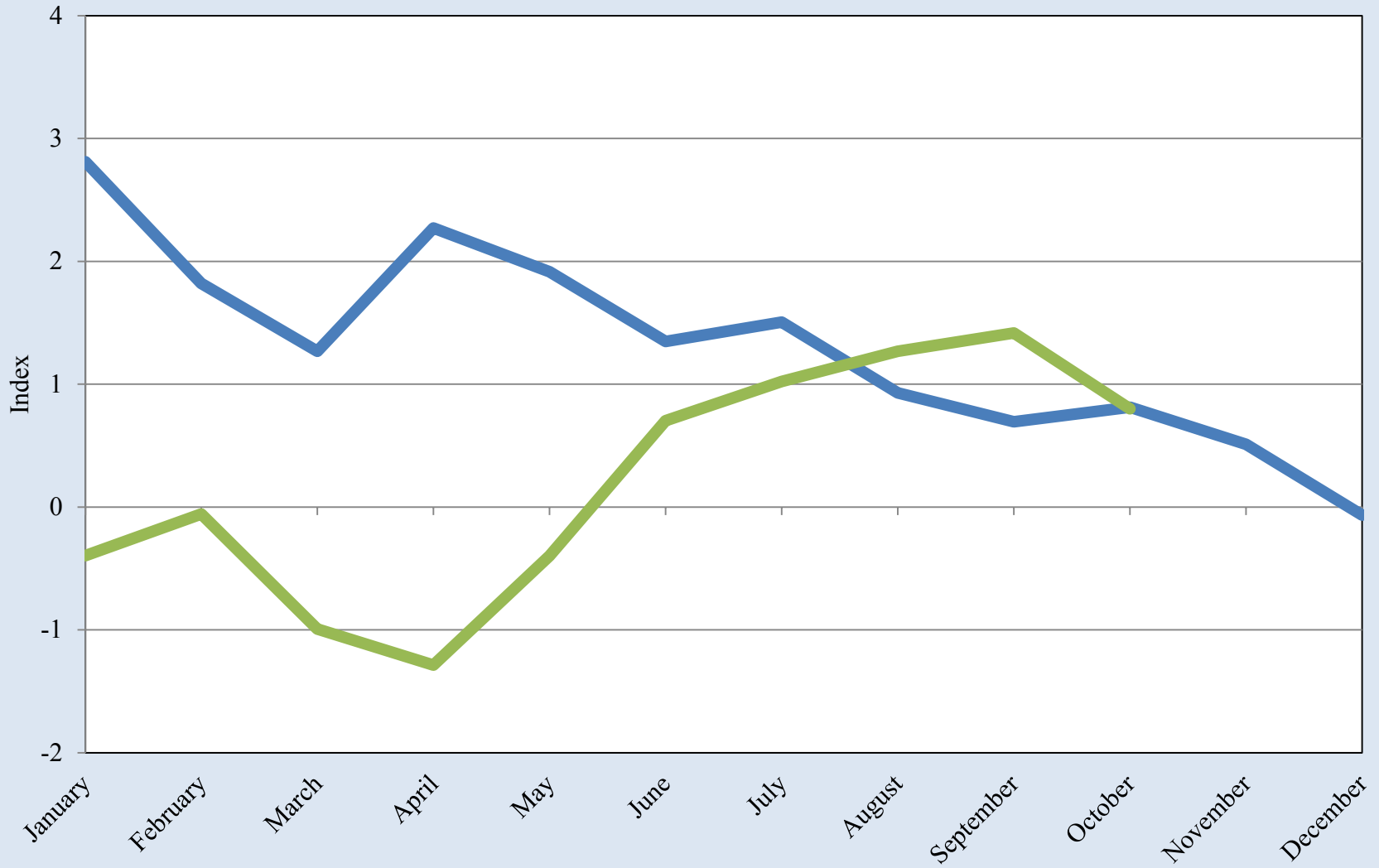
## Average Treasury Yield Curve Rates



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

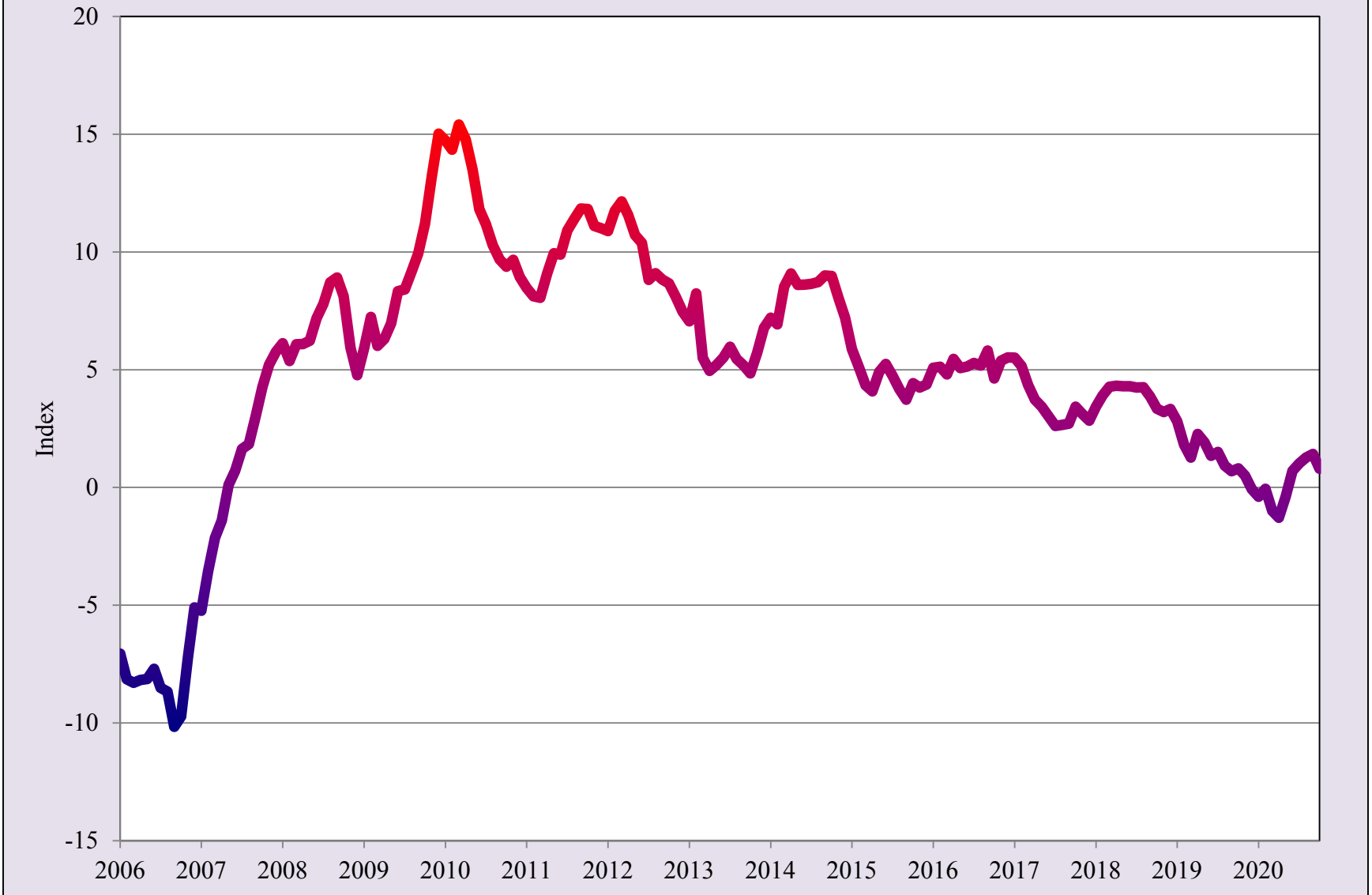
# El Paso Household Economic Stress Index

2019 2020



Source: UTEP Border Region Modeling Project

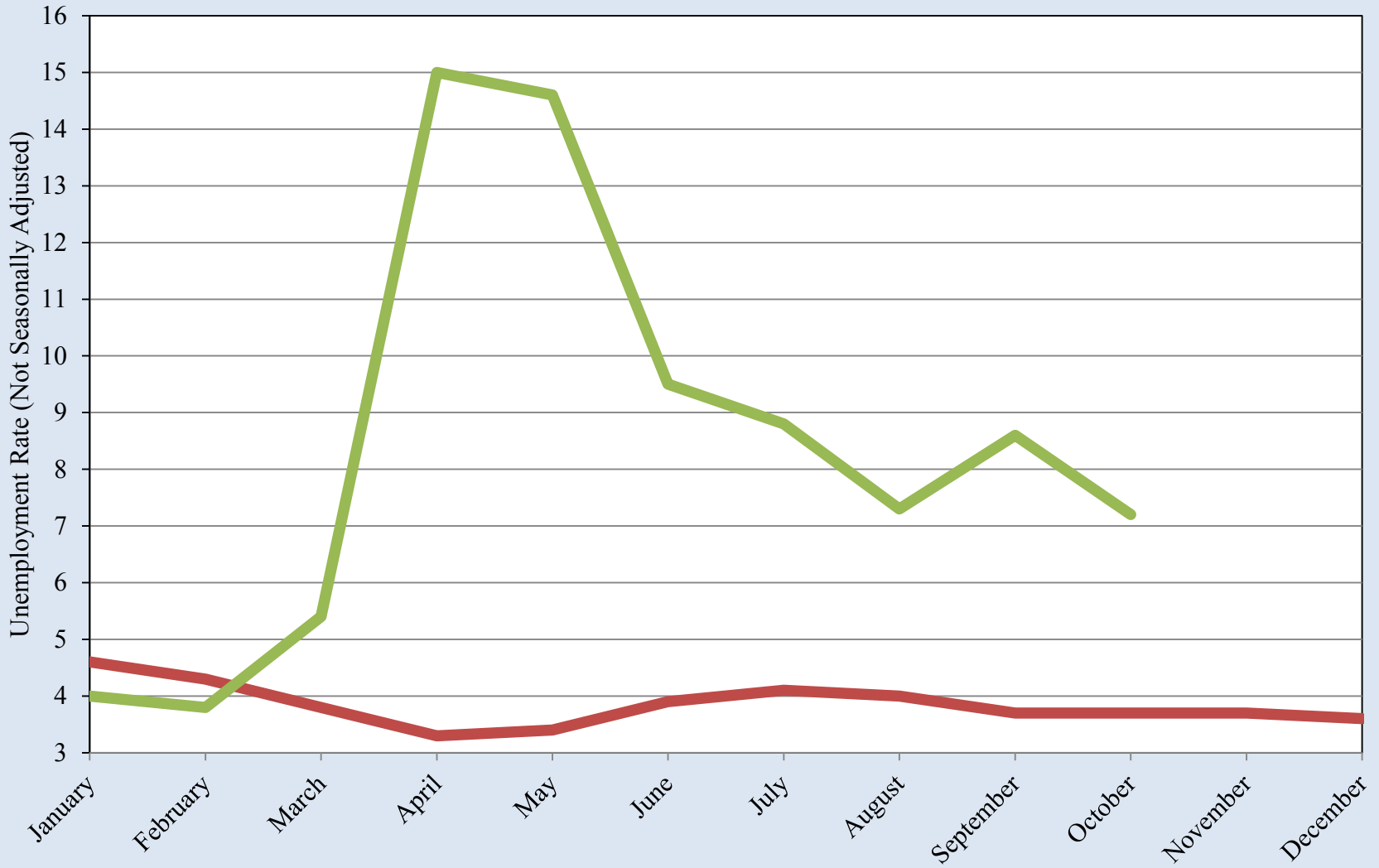
## El Paso Household Economic Stress Index



Source: UTEP Border Region Modeling Project

# El Paso County Unemployment Rate

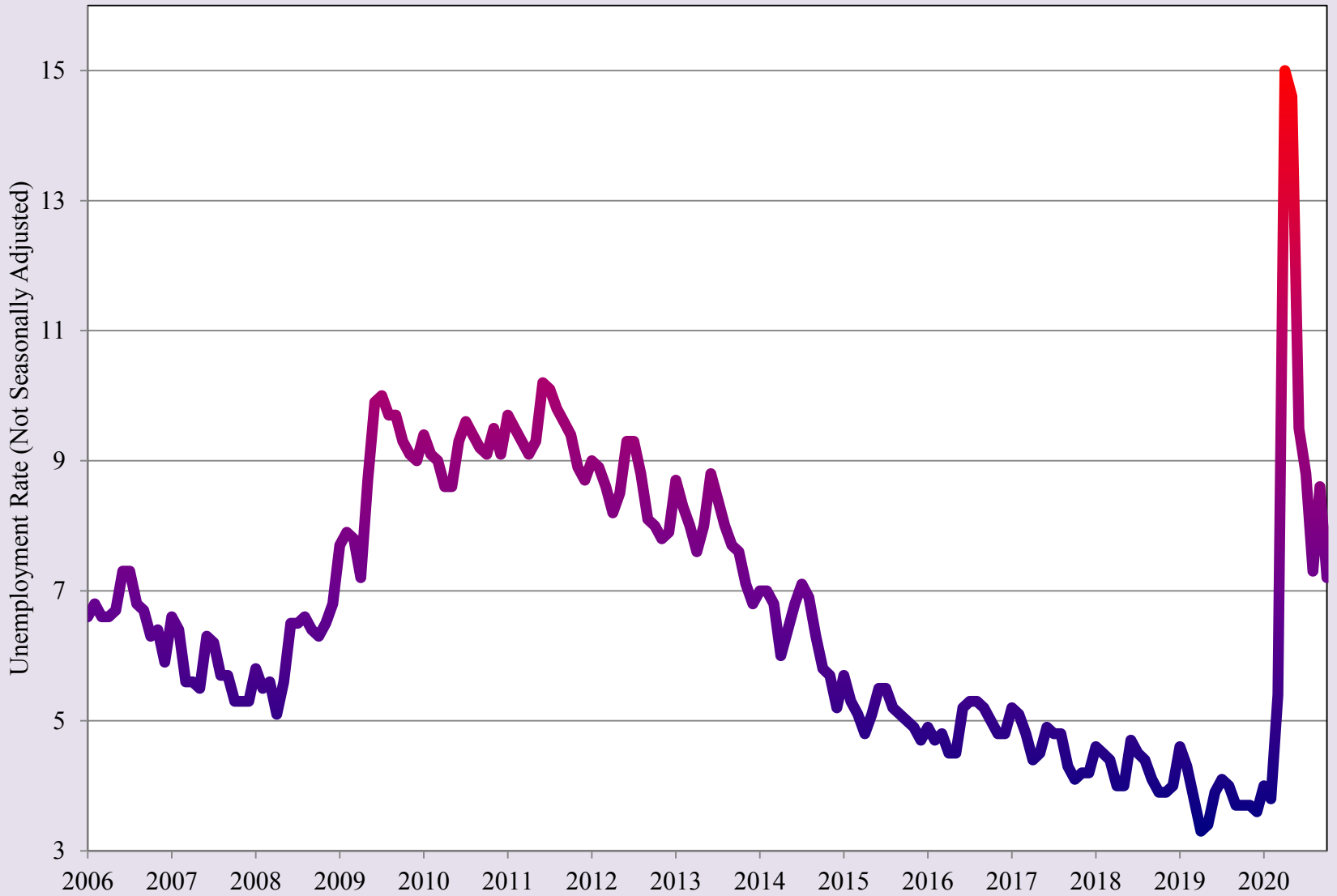
2019 2020



Source: Bureau of Labor Statistics

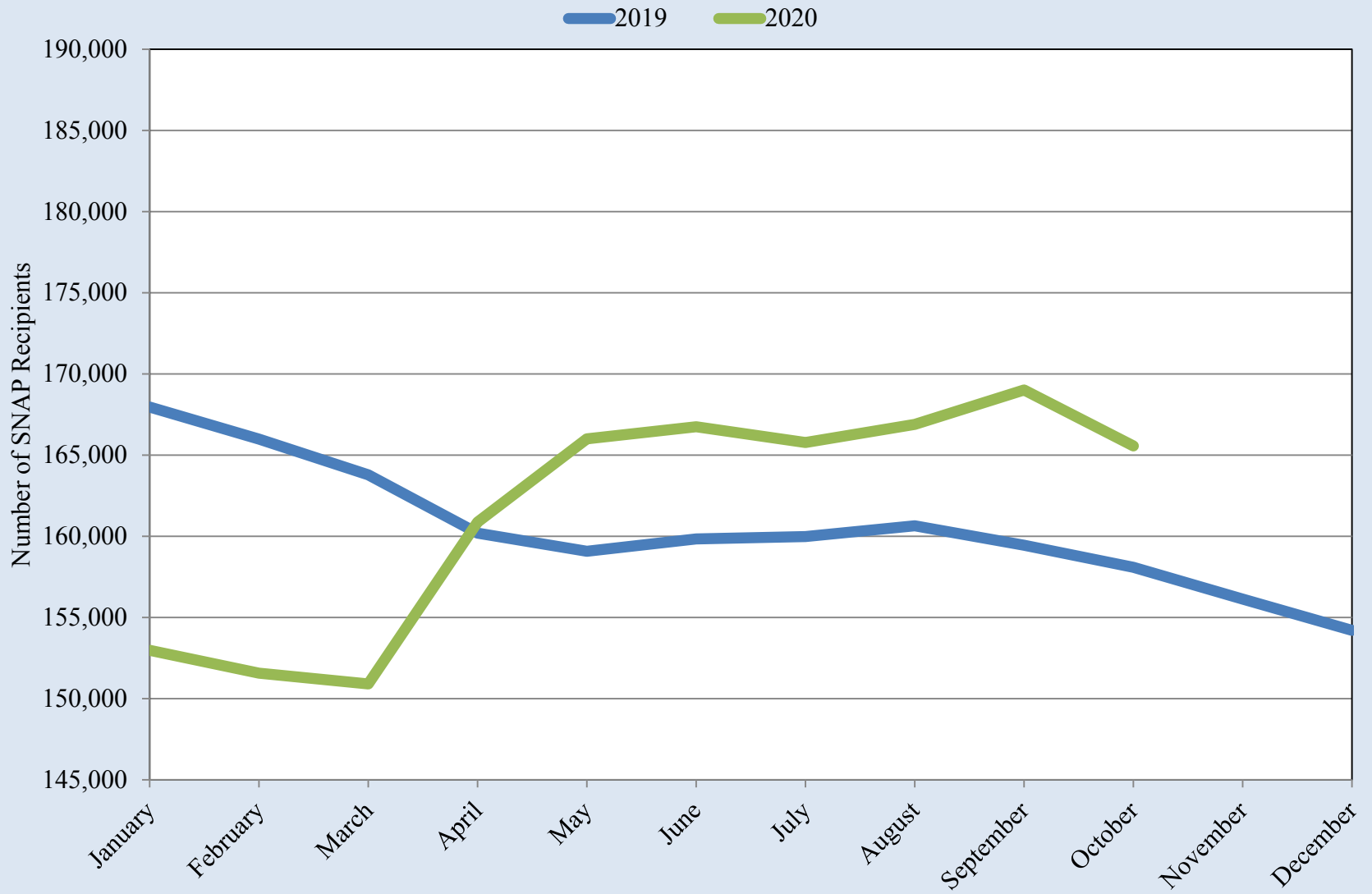


## El Paso County Unemployment Rate



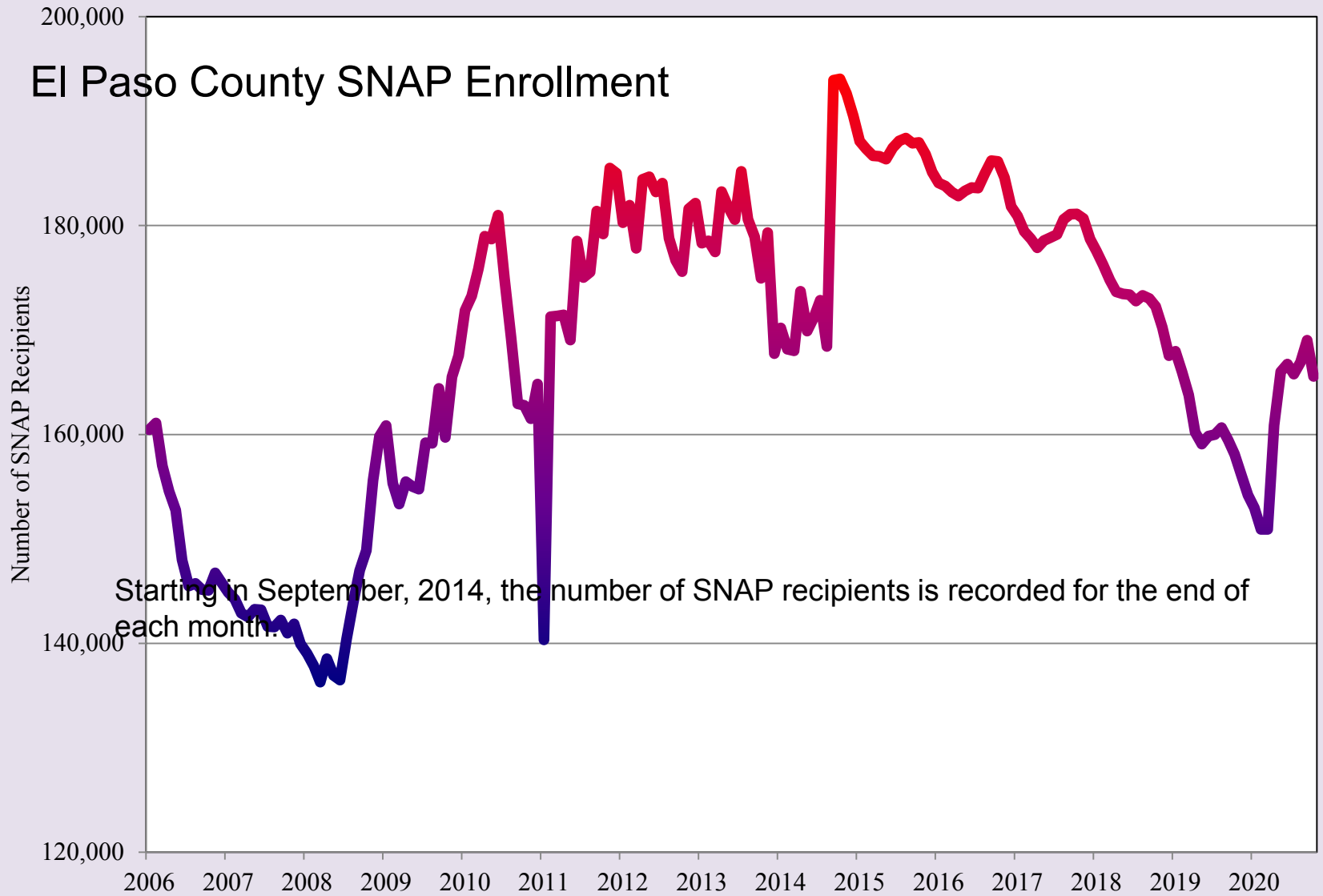
Source: Bureau of Labor Statistics

## El Paso County SNAP (Food Stamp) Enrollment



Source: Texas Health and Human Services Commission

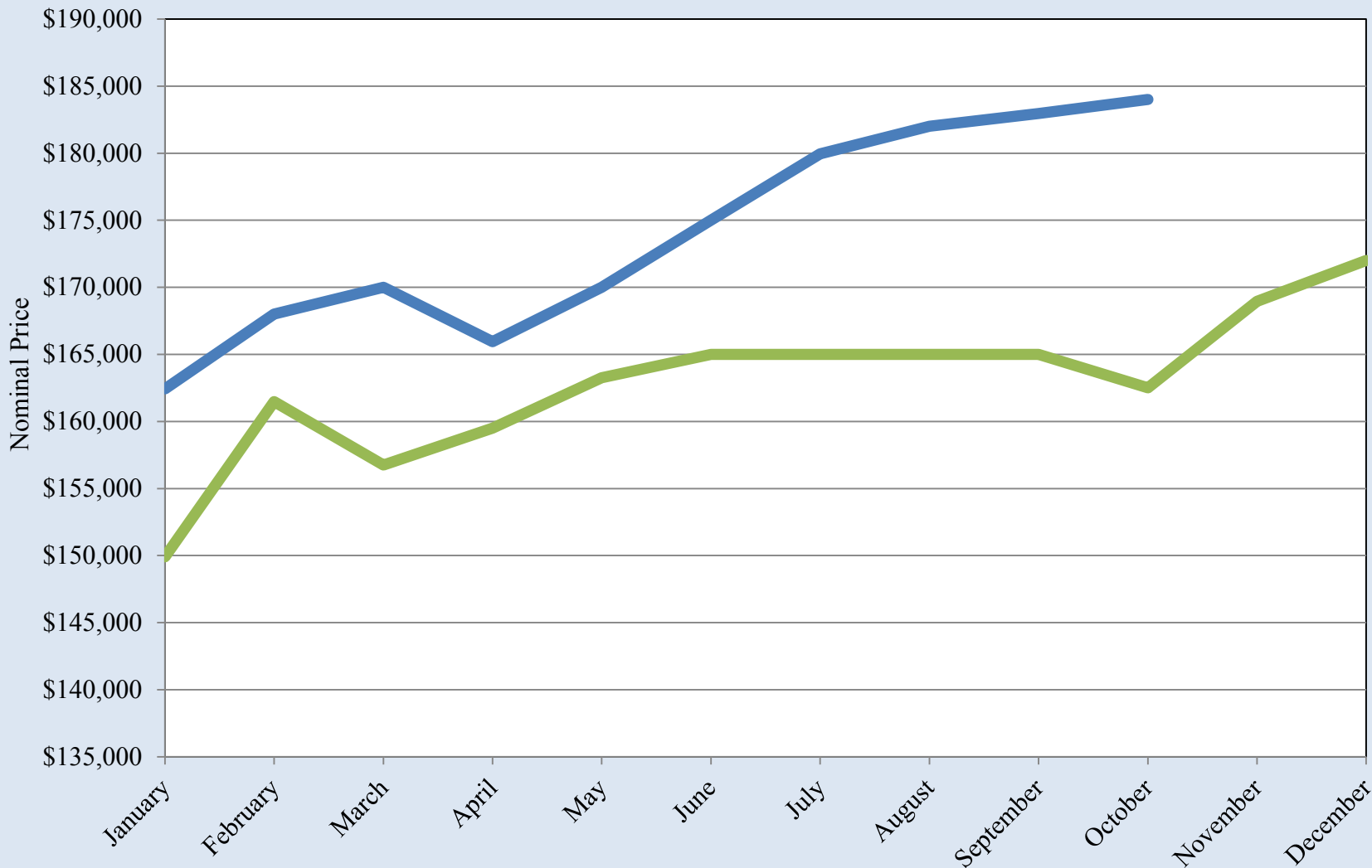
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Source: Texas Health and Human Services Commission

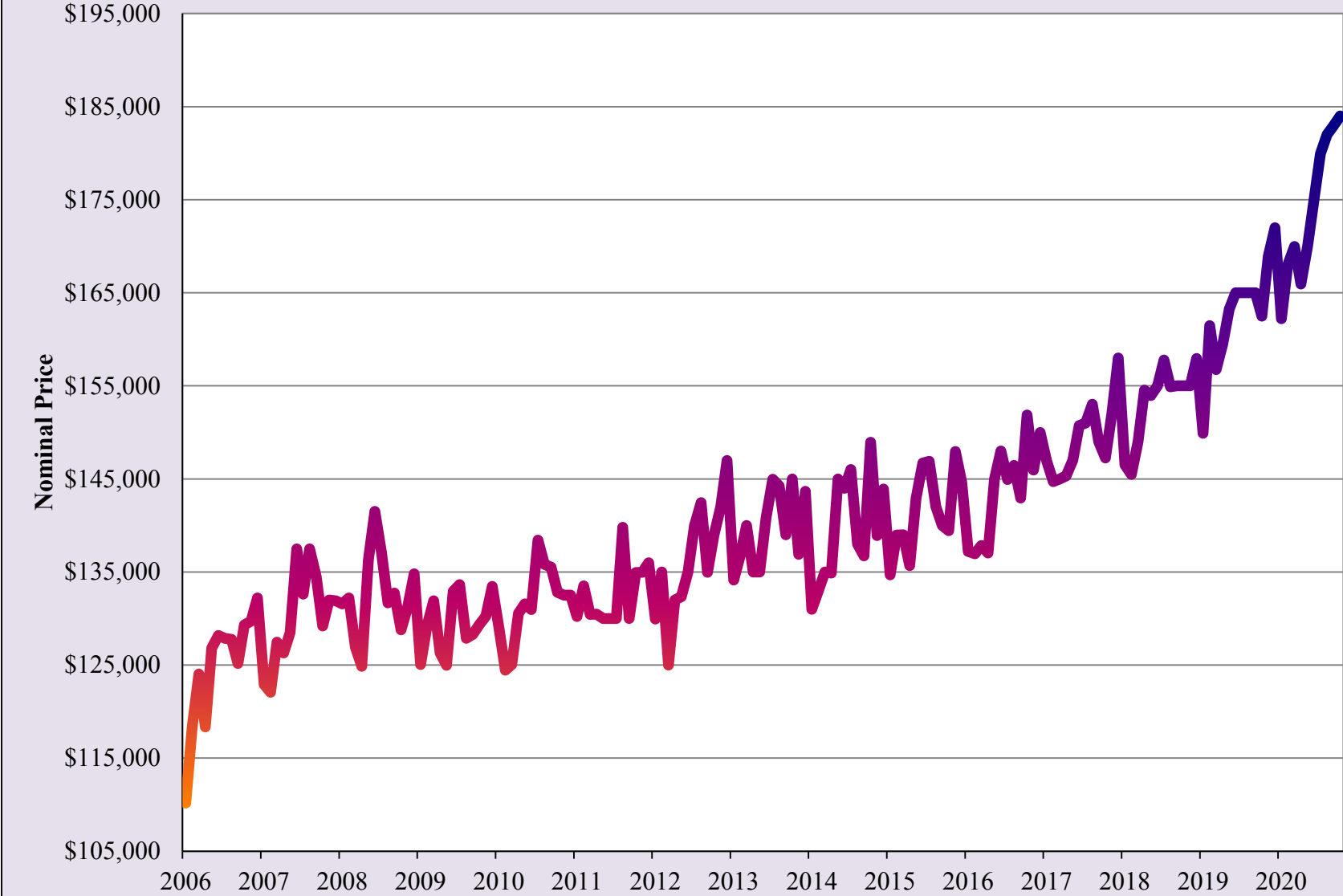
## El Paso Median Housing Prices

2019 2020



Source: Texas A&M Real Estate Center

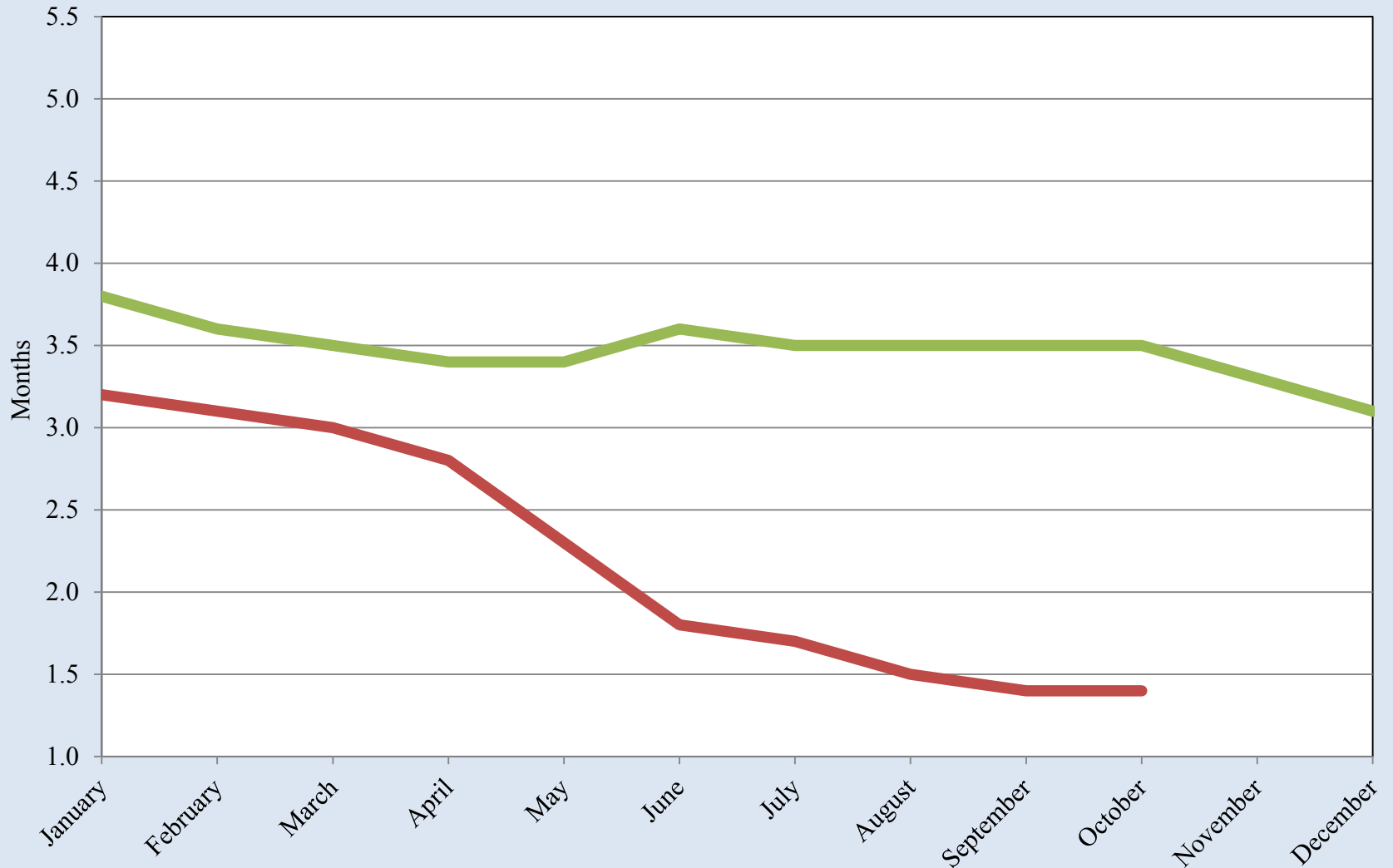
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Source: Texas A&M Real Estate Center

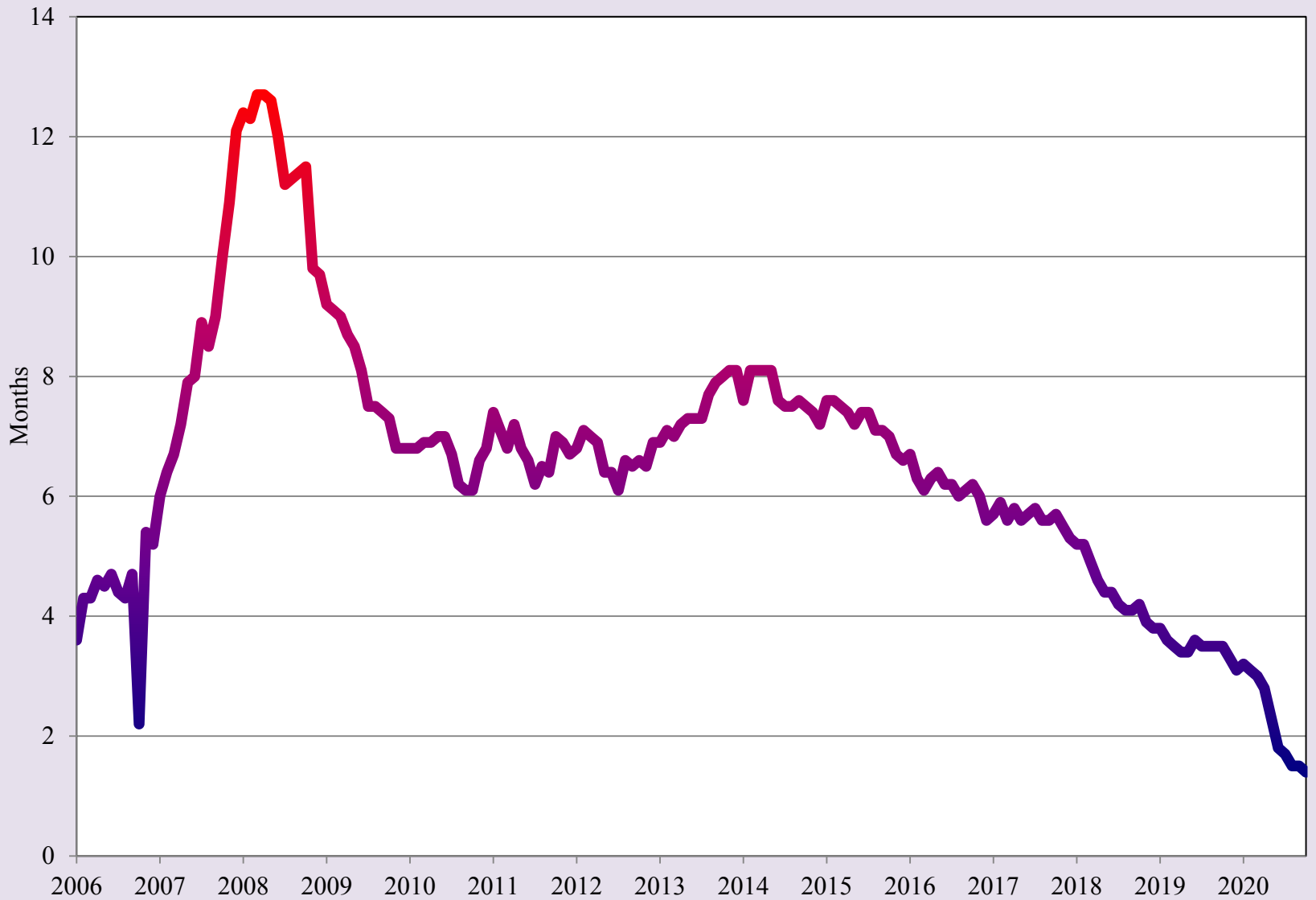
## Months of Housing Inventory for El Paso

2019 2020



Source: Texas A&M Real Estate Center

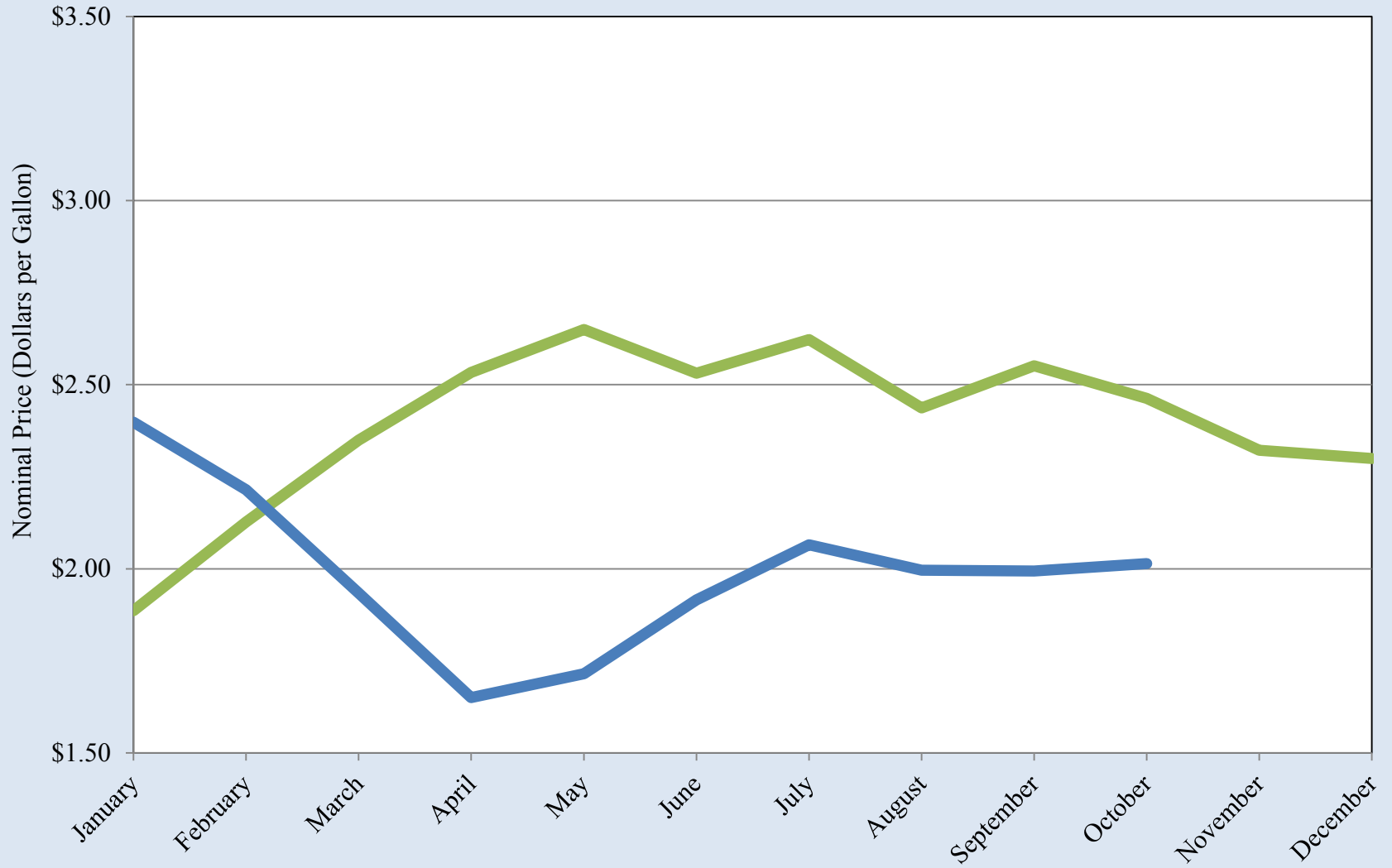
## Months of Housing Inventory for El Paso



Source: Texas A&M Real Estate Center

## El Paso Gasoline Prices

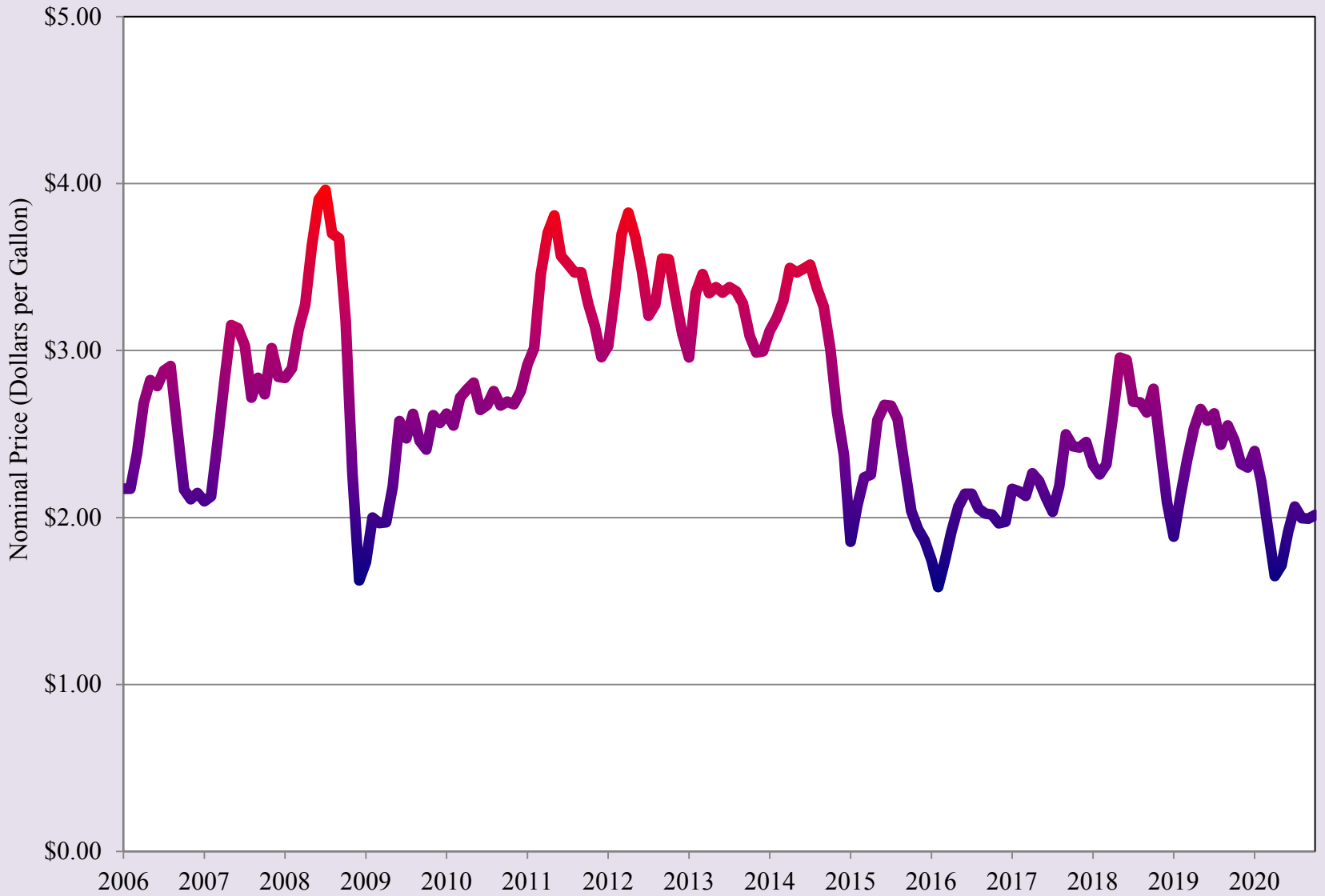
2019 2020



Source: GasBuddy.com



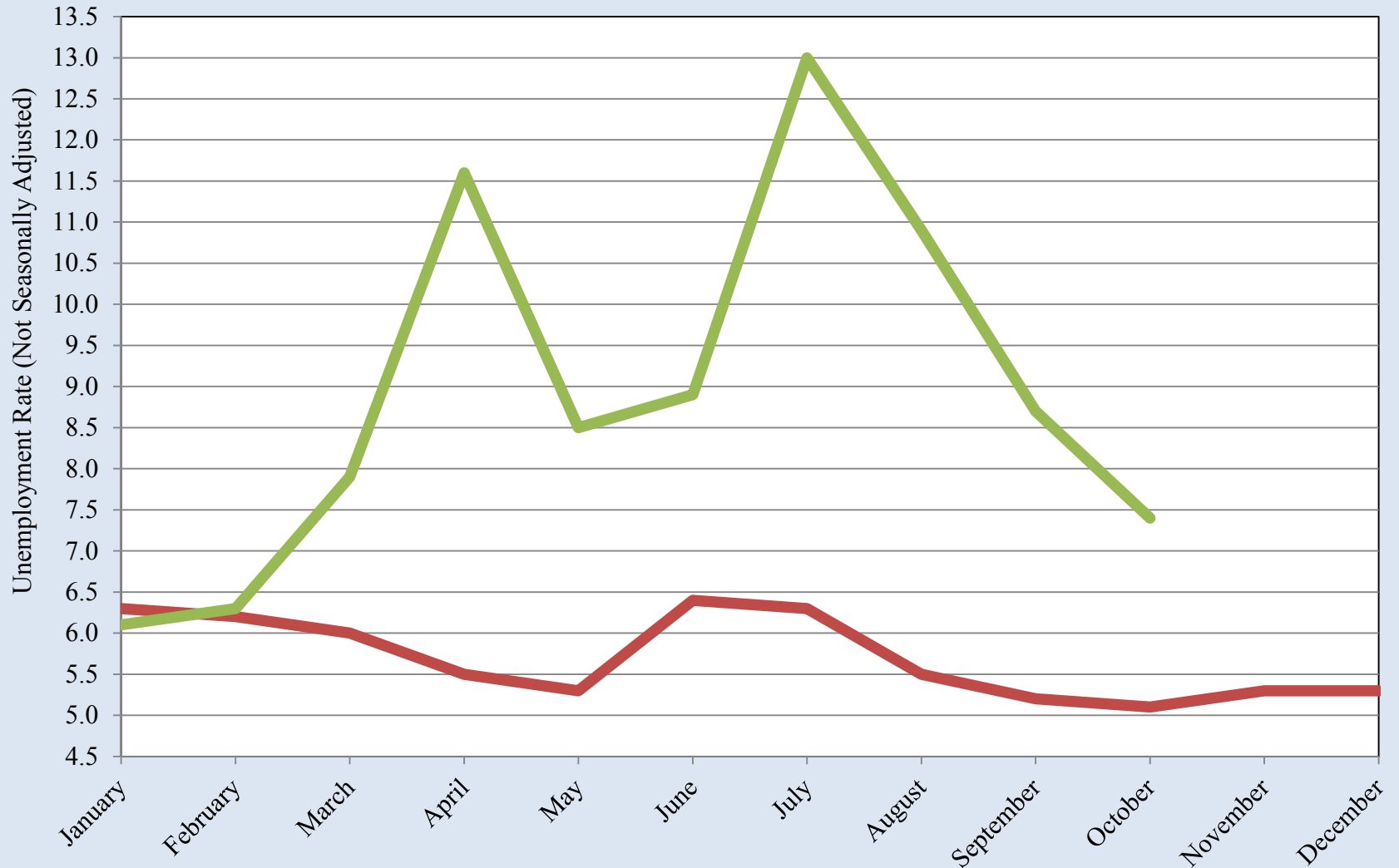
## El Paso Gasoline Prices



Source: GasBuddy.com

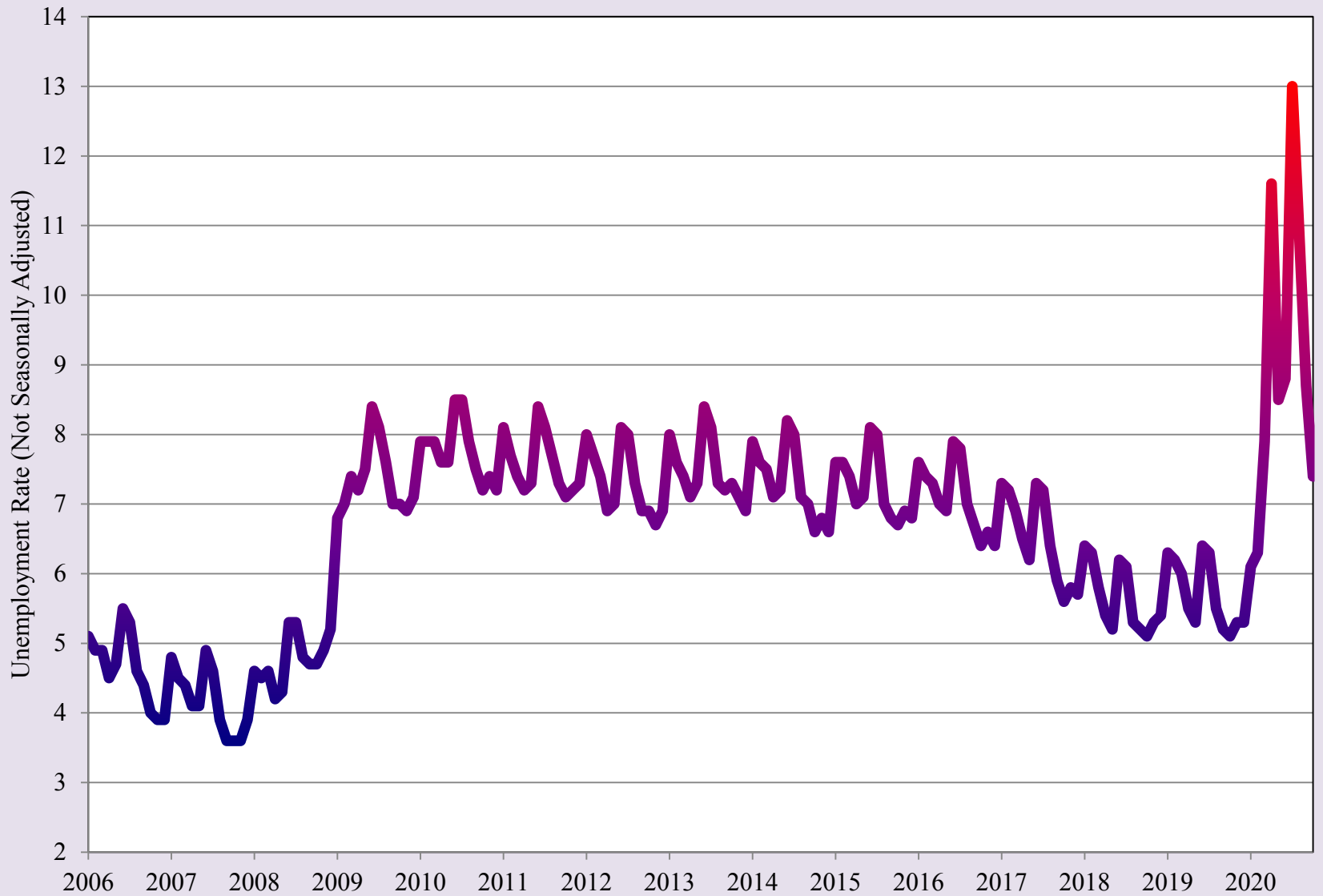
## Doña Ana County Unemployment Rate

2019 2020



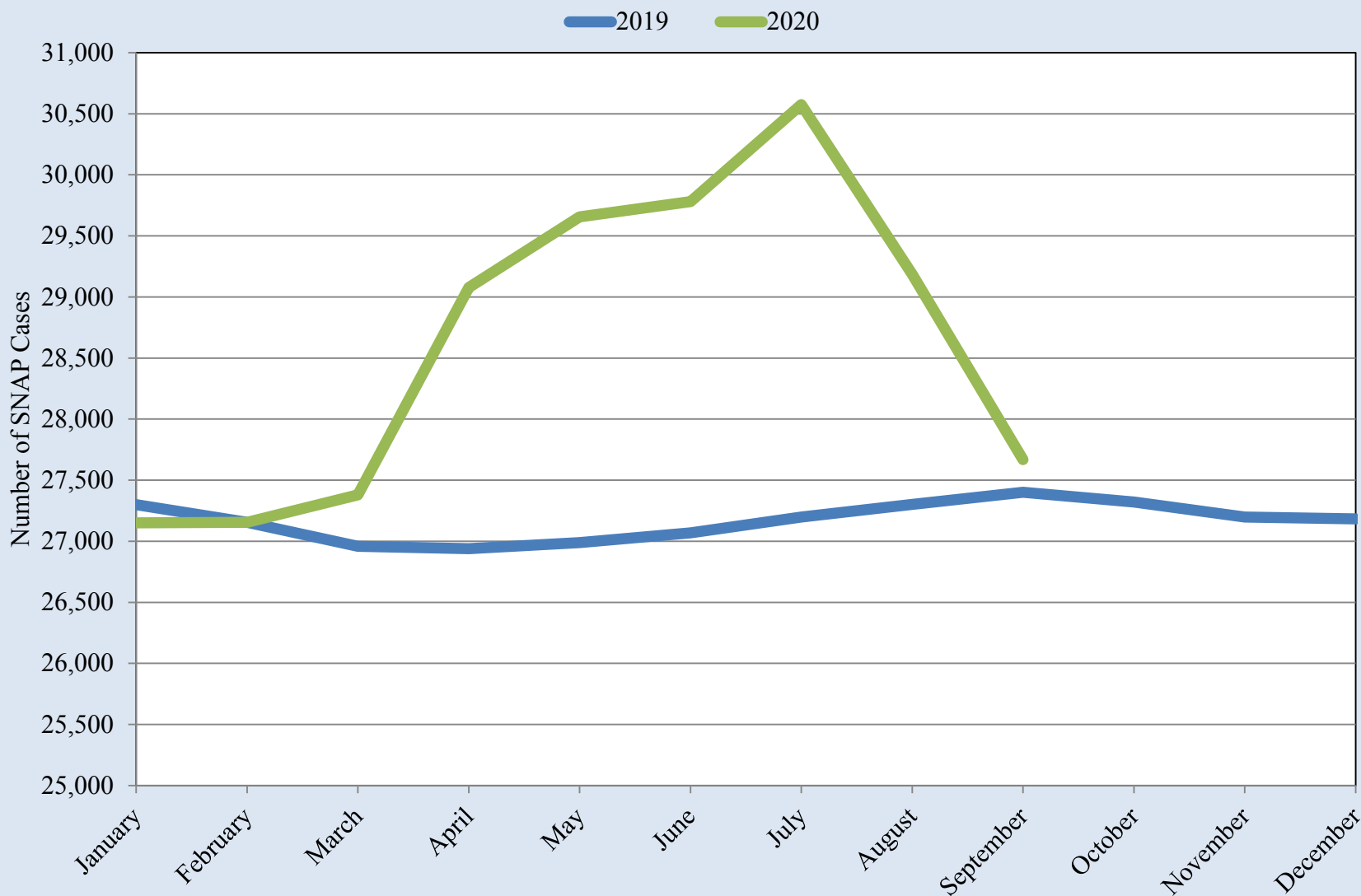
Source: Bureau of Labor Statistics

## Doña Ana County Unemployment Rate



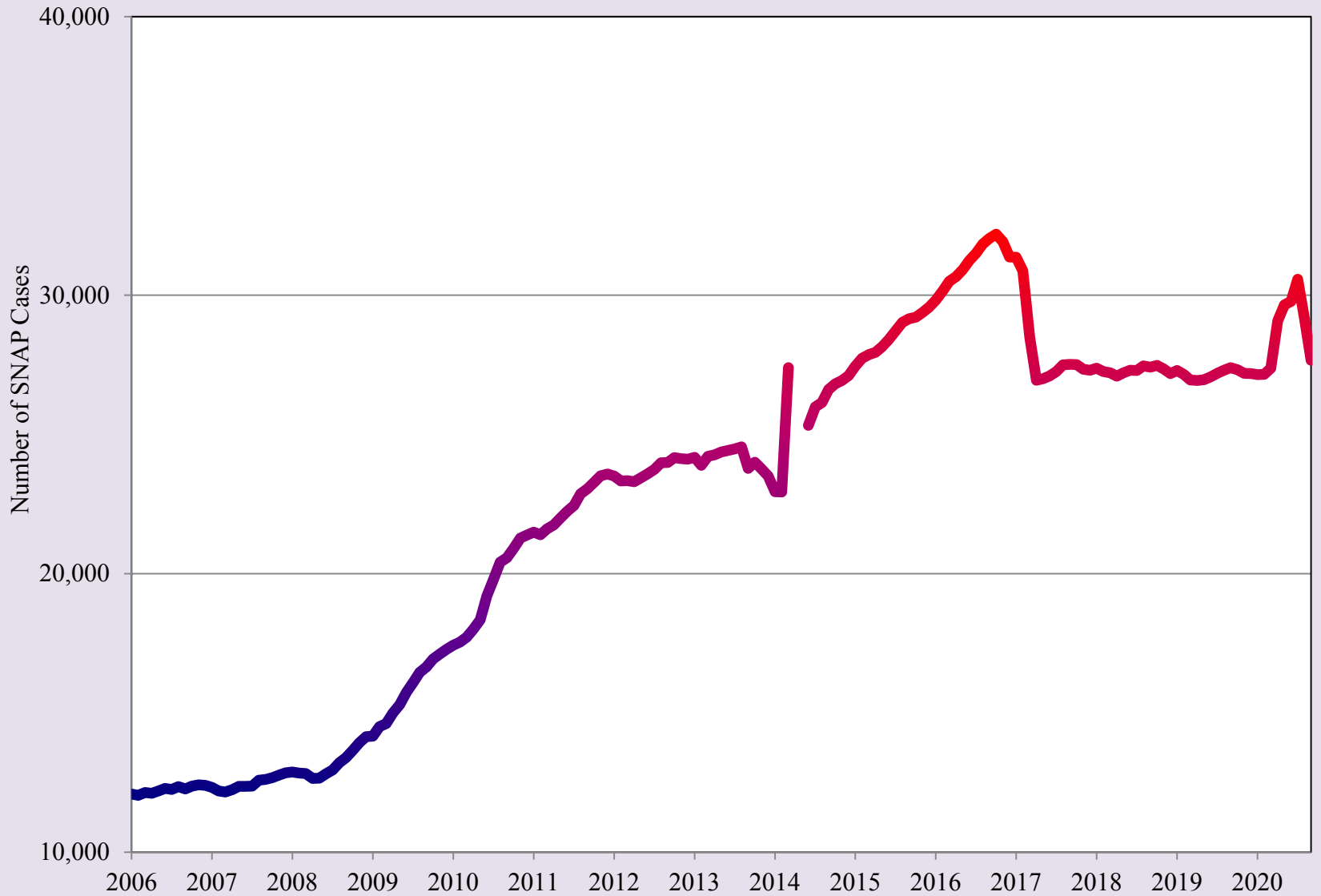
Source: Bureau of Labor Statistics

## Las Cruces Area SNAP (Food Stamp) Cases



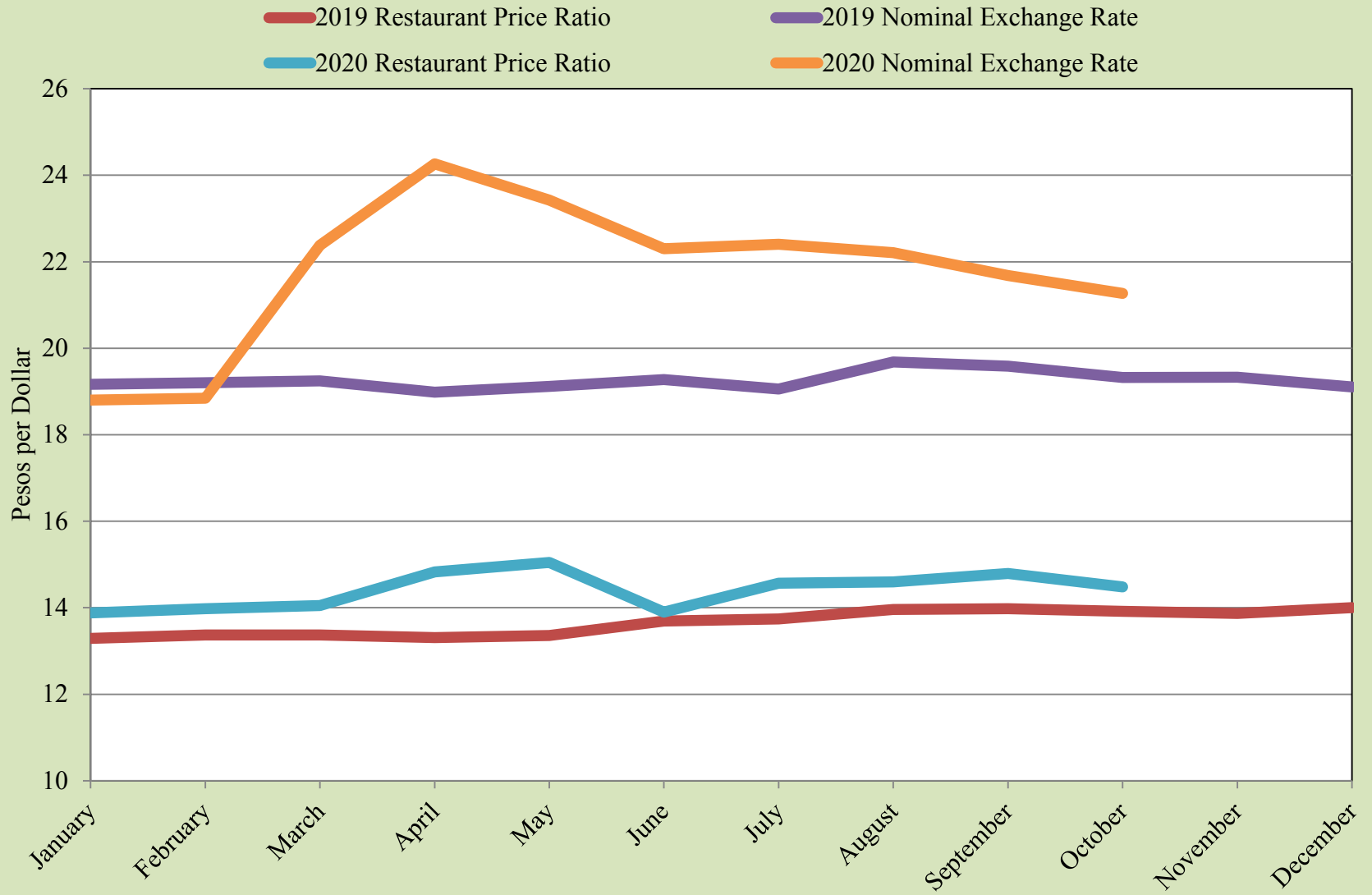
Source: New Mexico Human Services Department

## Las Cruces Area SNAP (Food Stamp) Cases



Source: New Mexico Human Services Department

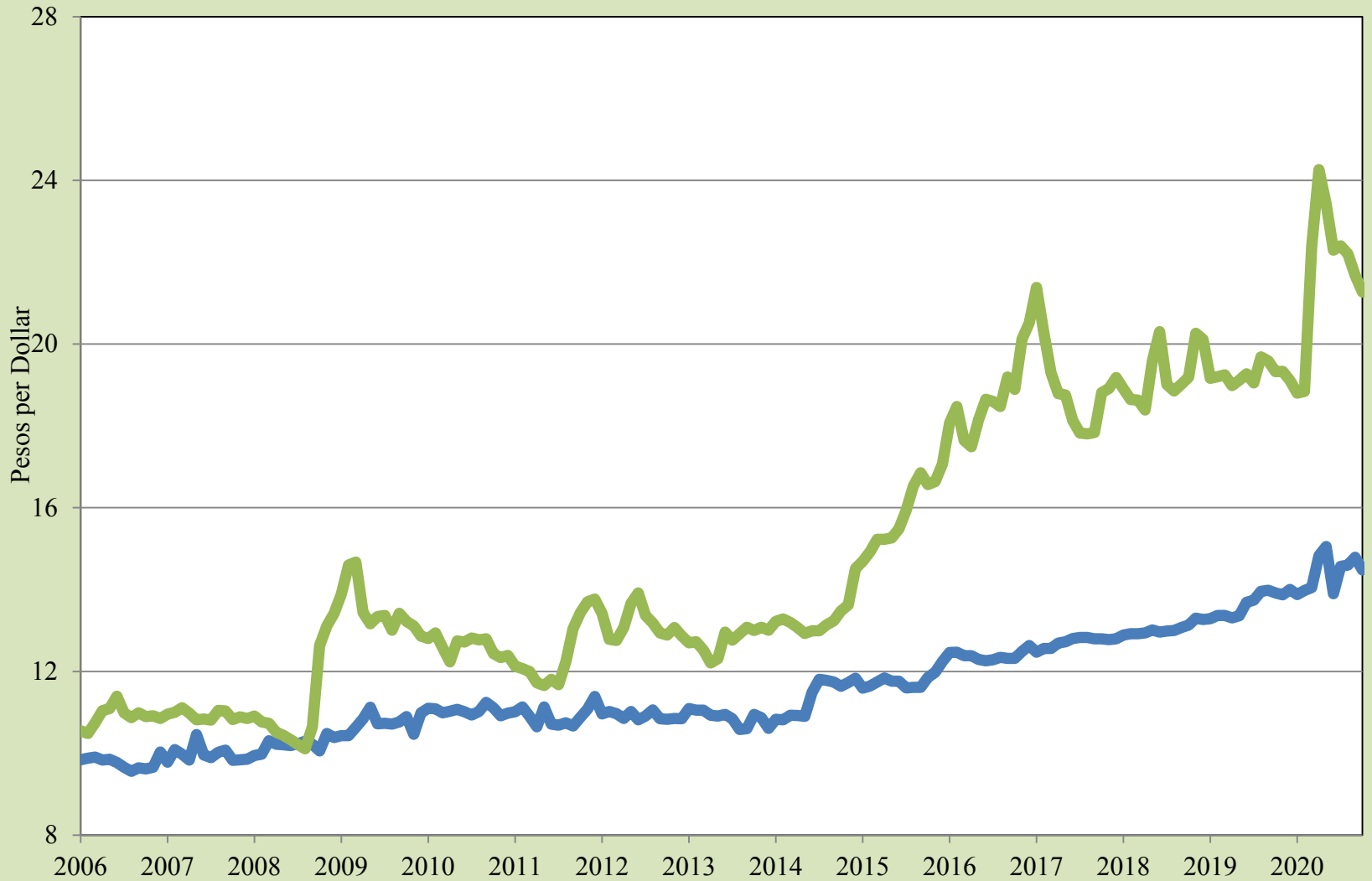
## Restaurant Price Ratio and Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

## Restaurant Price Ratio and Exchange Rate

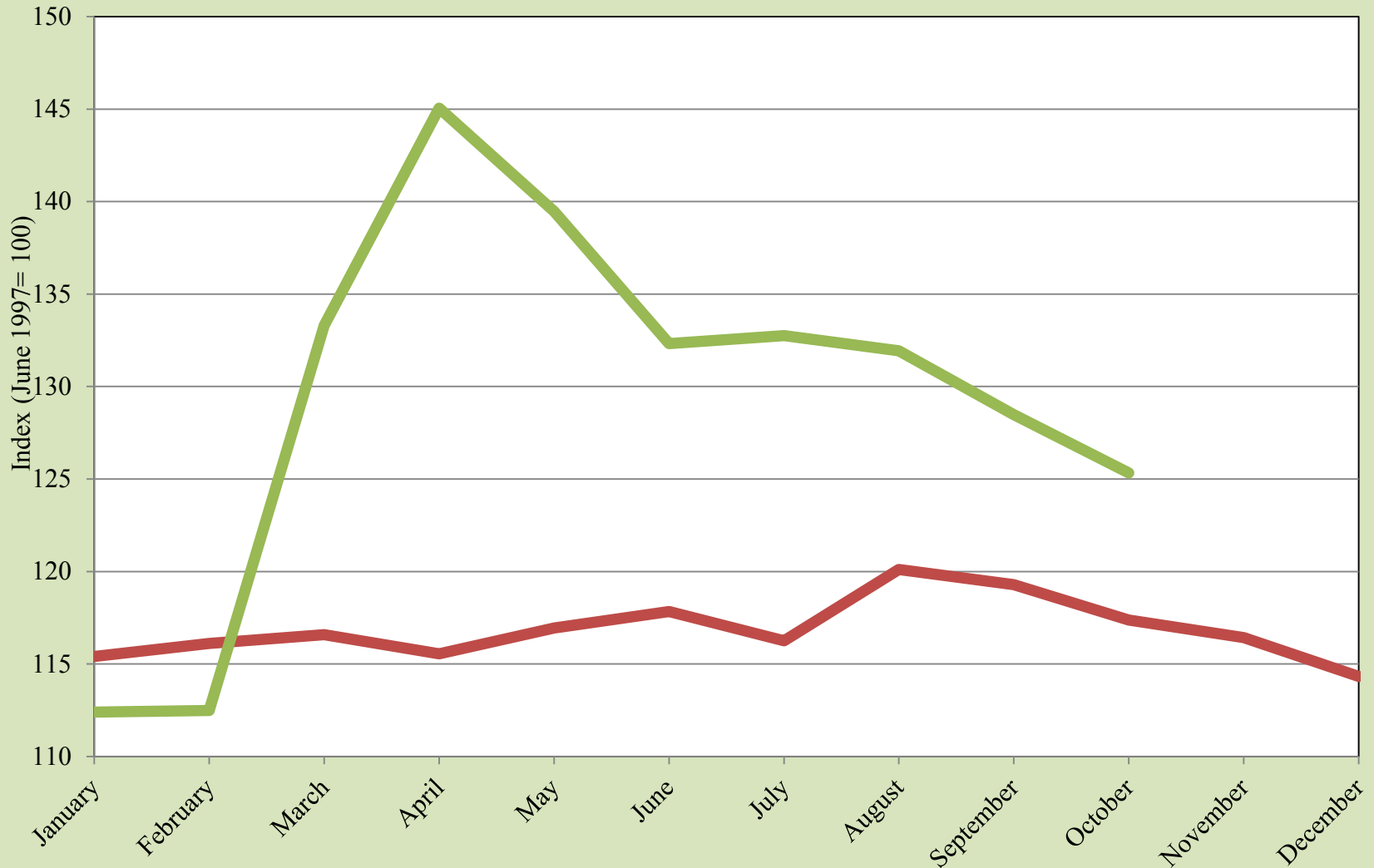
Price Ratio Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

## Real Peso-per-Dollar Exchange Rate Index

— 2019 — 2020



Source: UTEP Border Region Modeling Project

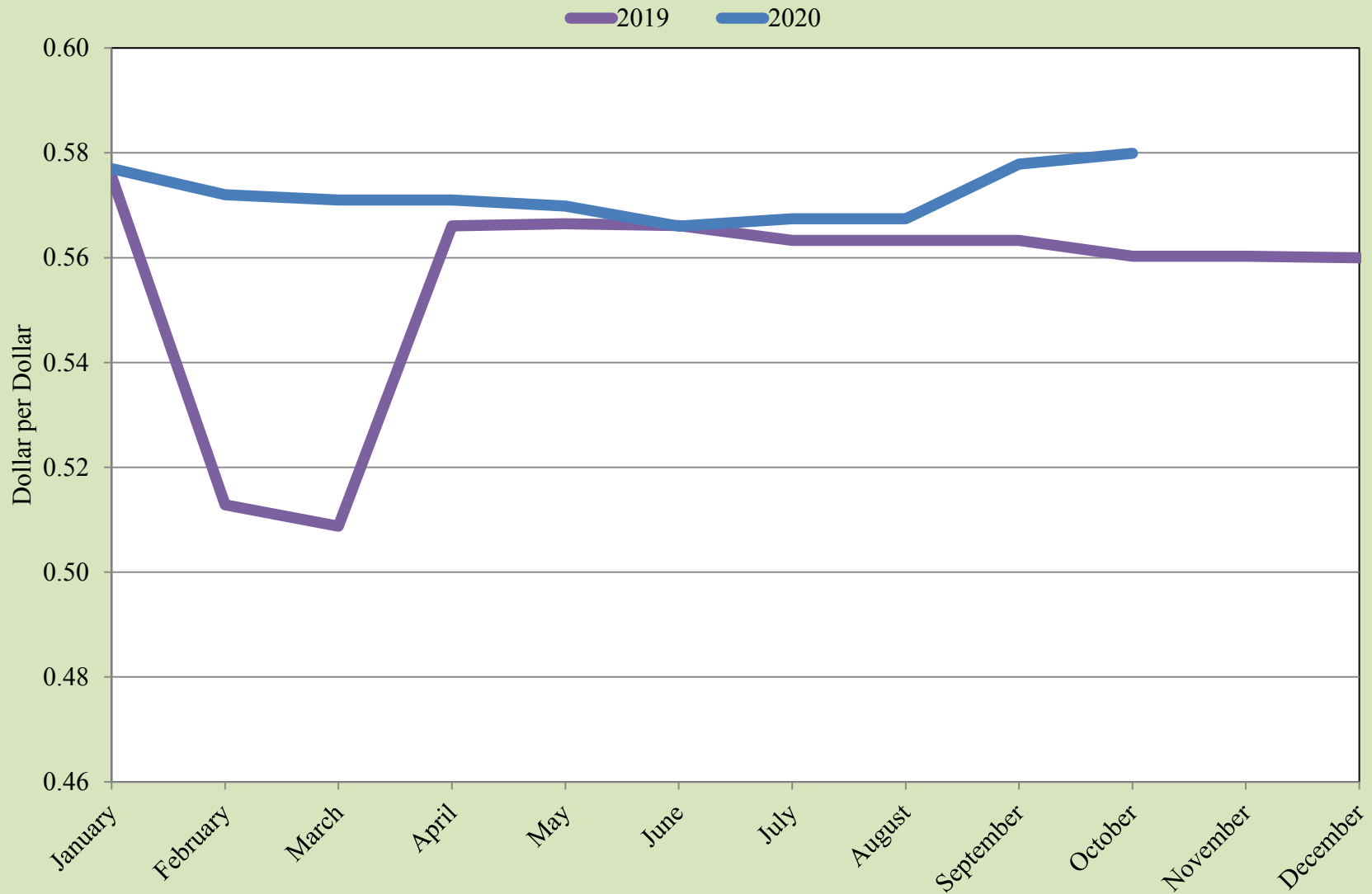


## Real Peso-per-Dollar Exchange Rate Index



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)

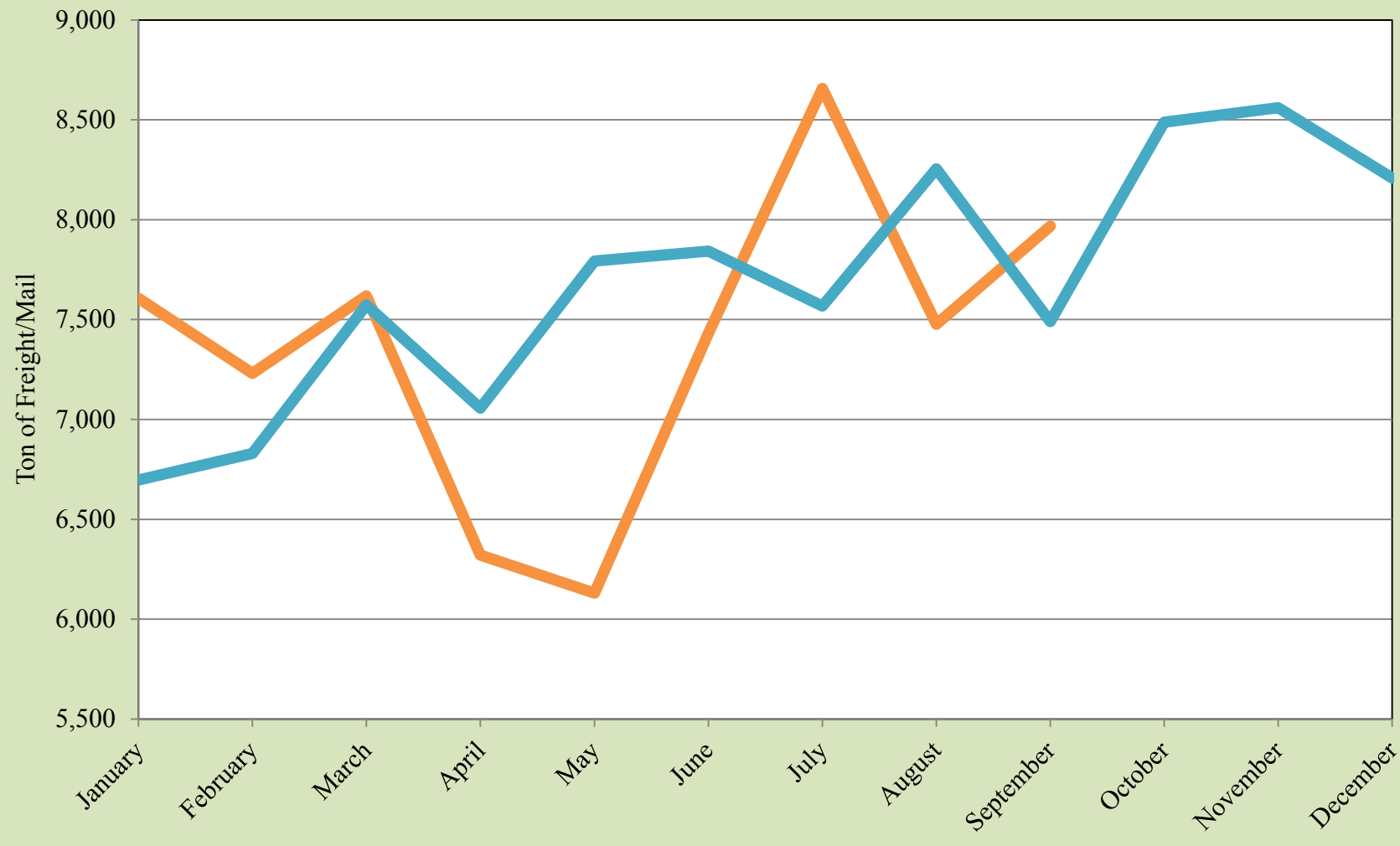
## Pharmaceutical Nominal Price Ratio in the USA and Mexico



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

# EPIA Freight and Mail

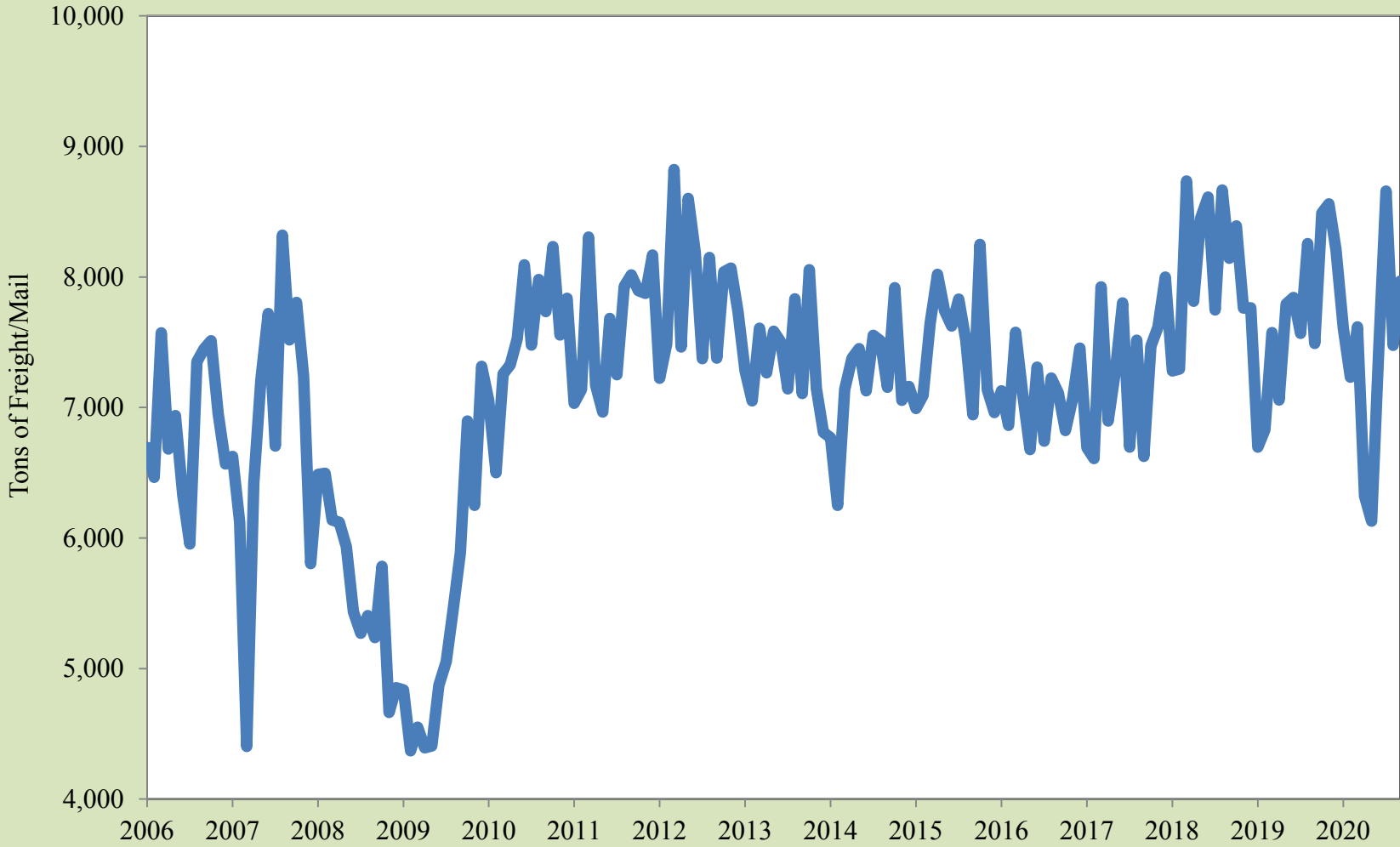
Total 2019 Total 2020



Source: EPIA Operations

# EPIA Freight and Mail

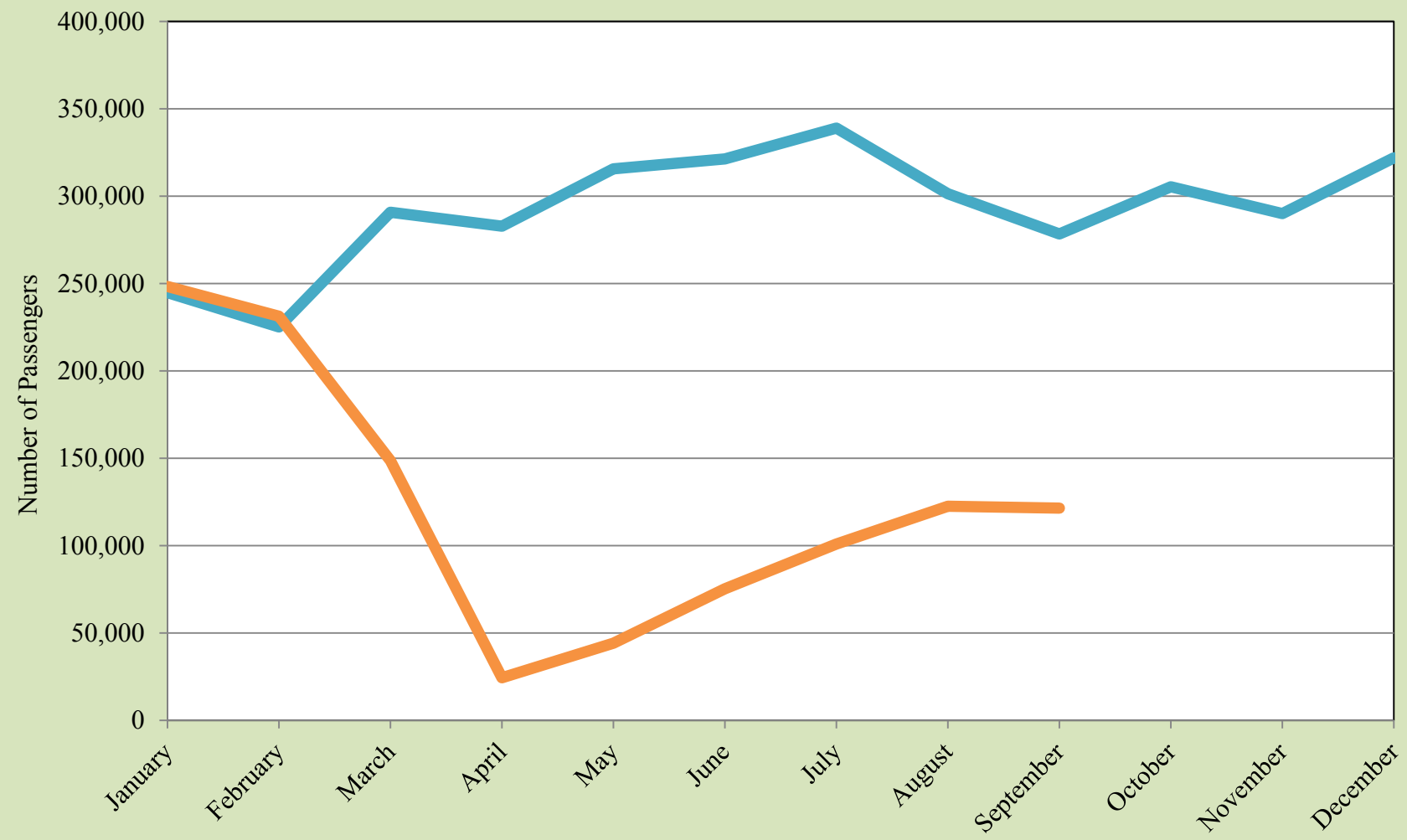
Inbound+Outbound



Source: EPIA Operations

# EPIA Passengers

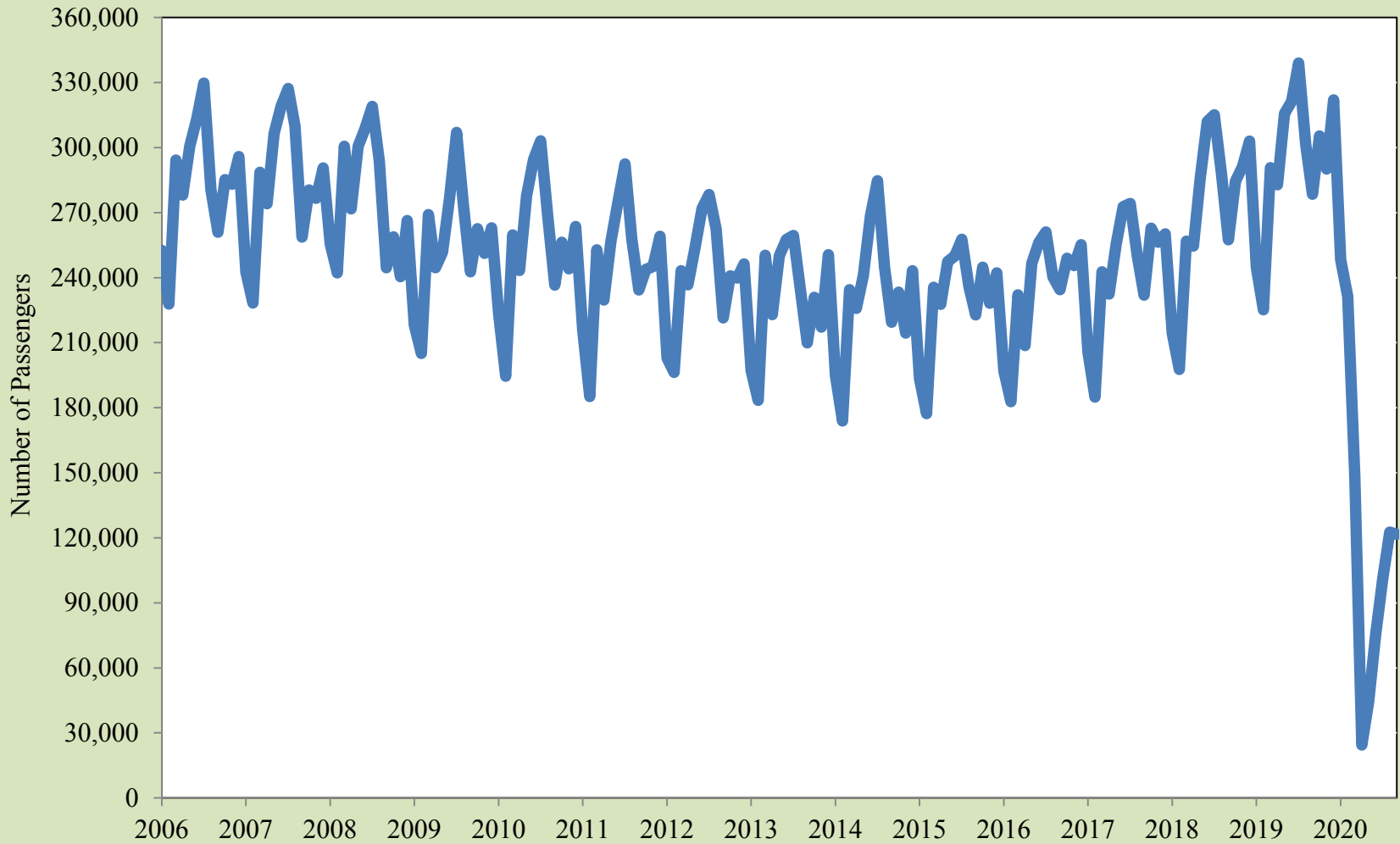
EPIA 2019 EPIA 2020



Source: EPIA Operations

# EPIA Passengers

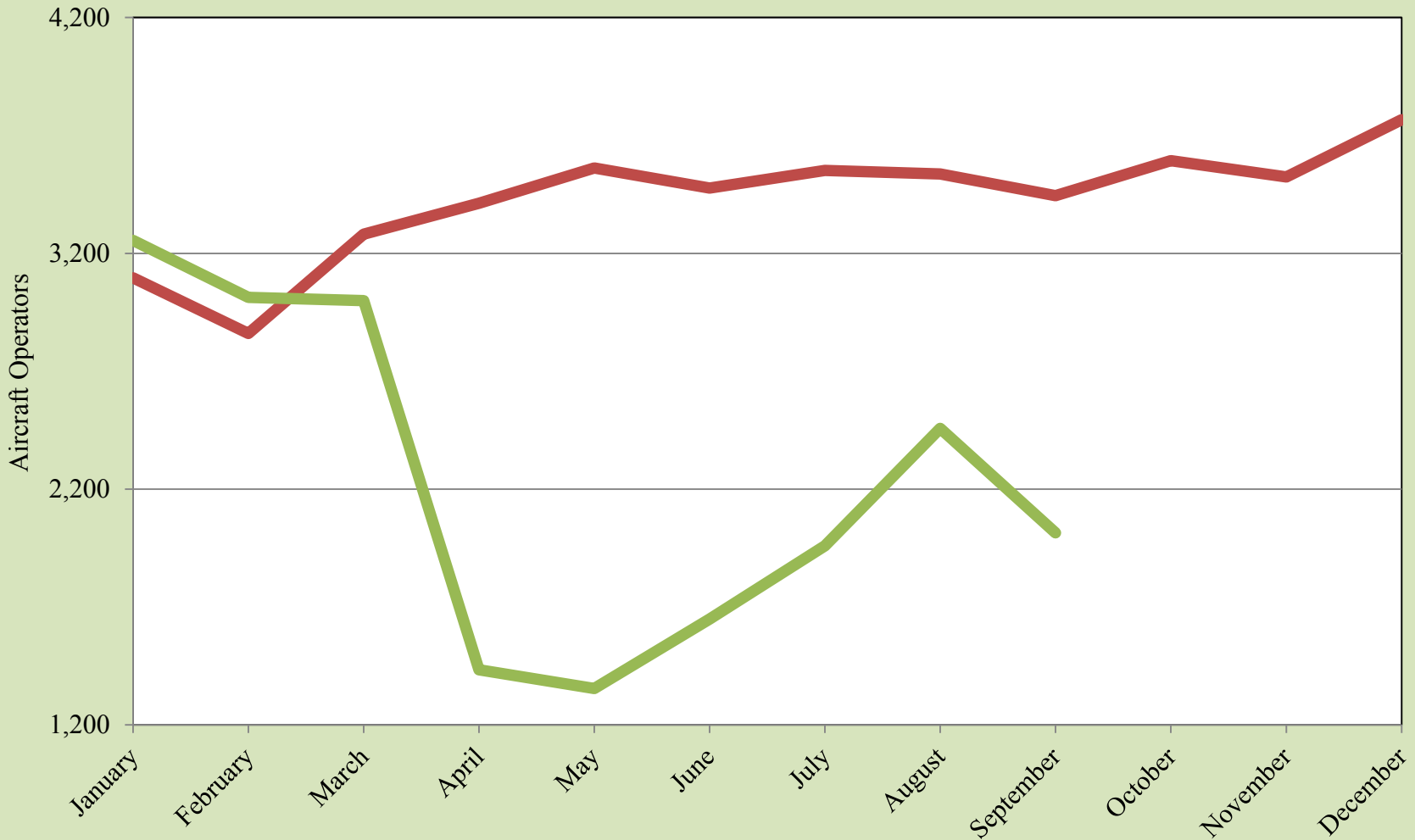
— Inbound+Outbound



Source: EPIA Operations

# EPIA Air Carrier Operations

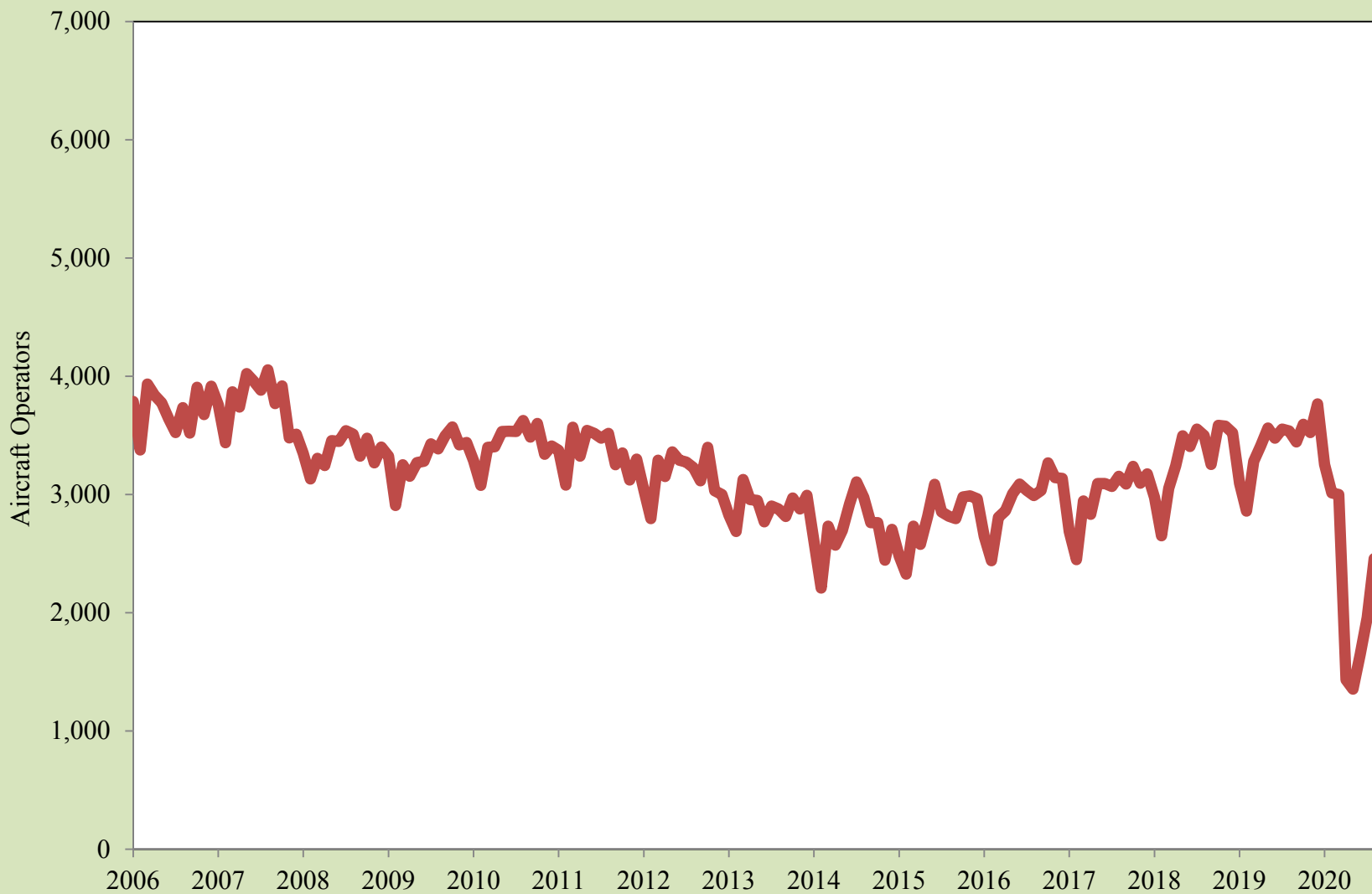
Air Carrier Operations 2019      Air Carrier Operations 2020



Source: EPIA Operations



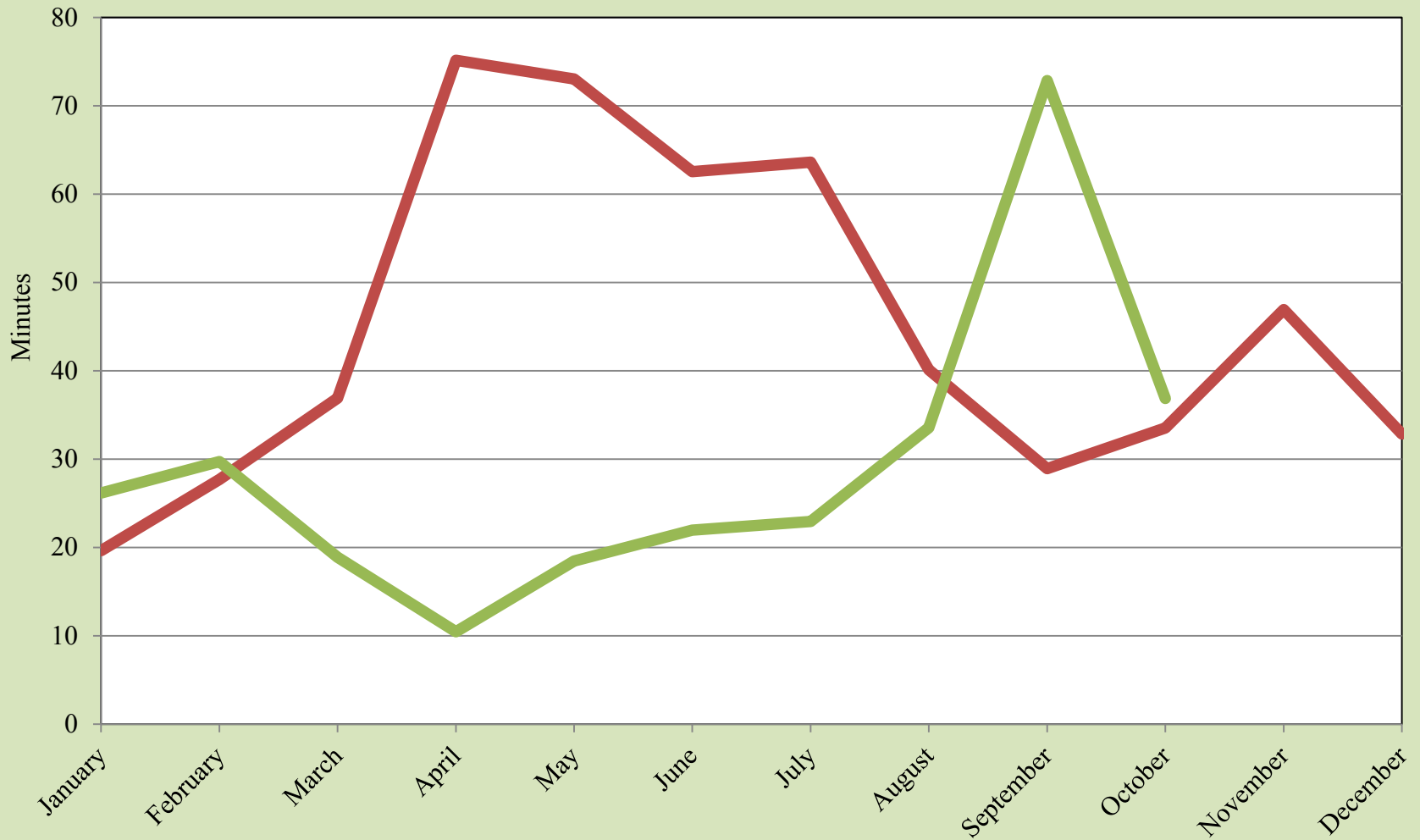
## EPIA Air Carrier Operations



Source: EPIA Operations

## Paso del Norte Monthly Wait Times

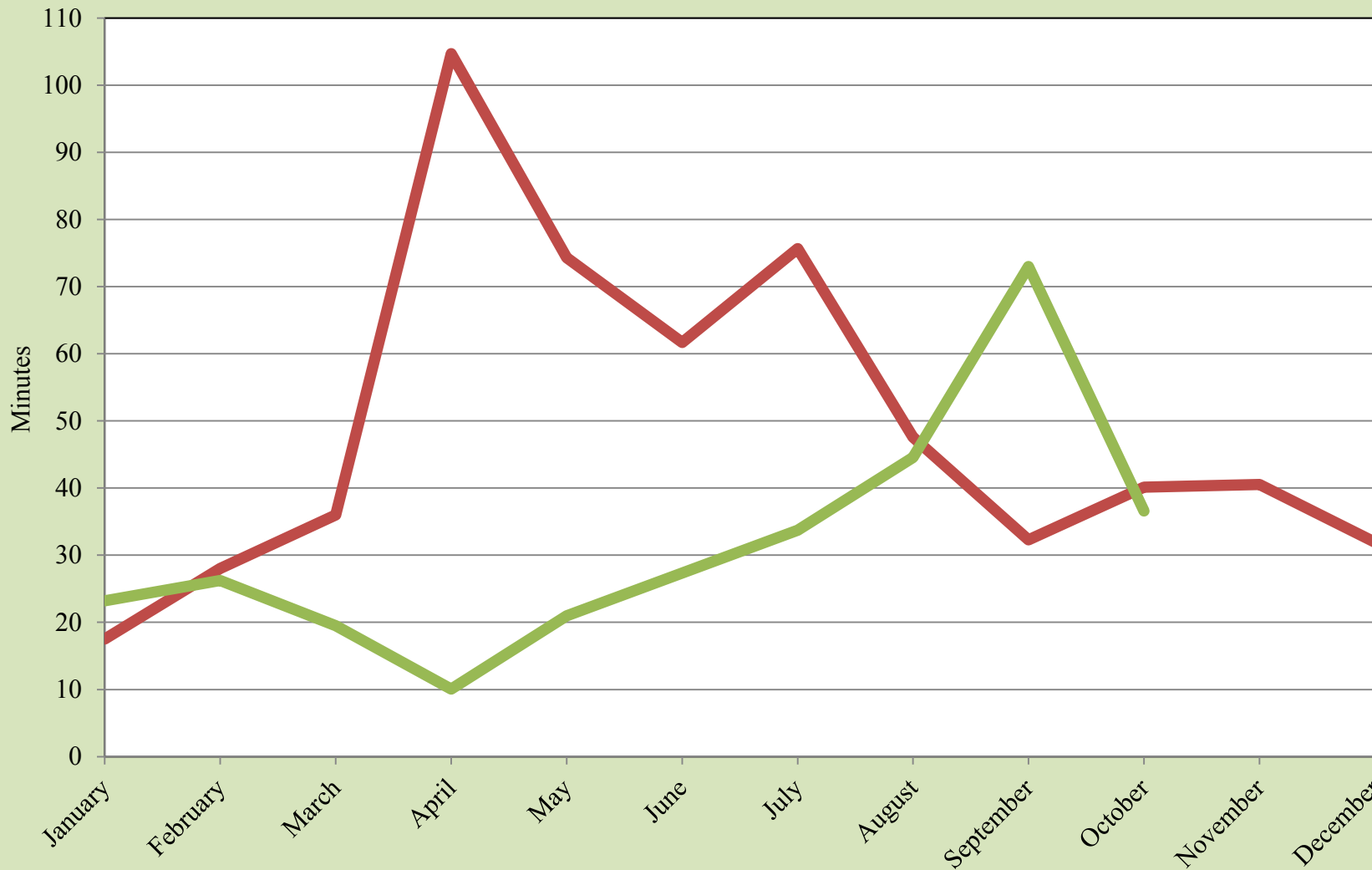
2019 2020



Source: UTEP Border Region Modeling Project

# Ysleta Monthly Wait Times

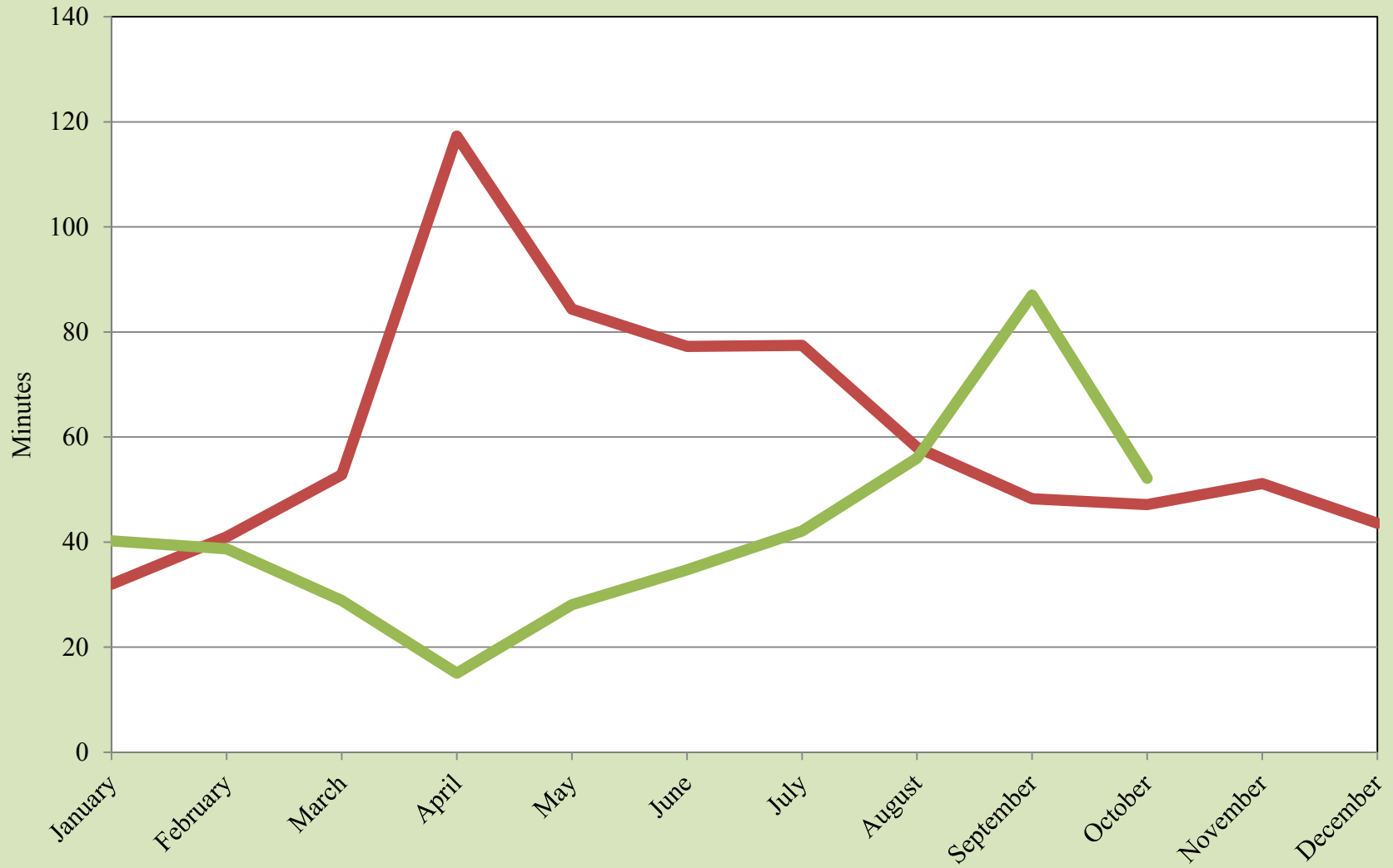
2019 2020



Source: UTEP Border Region Modeling Project

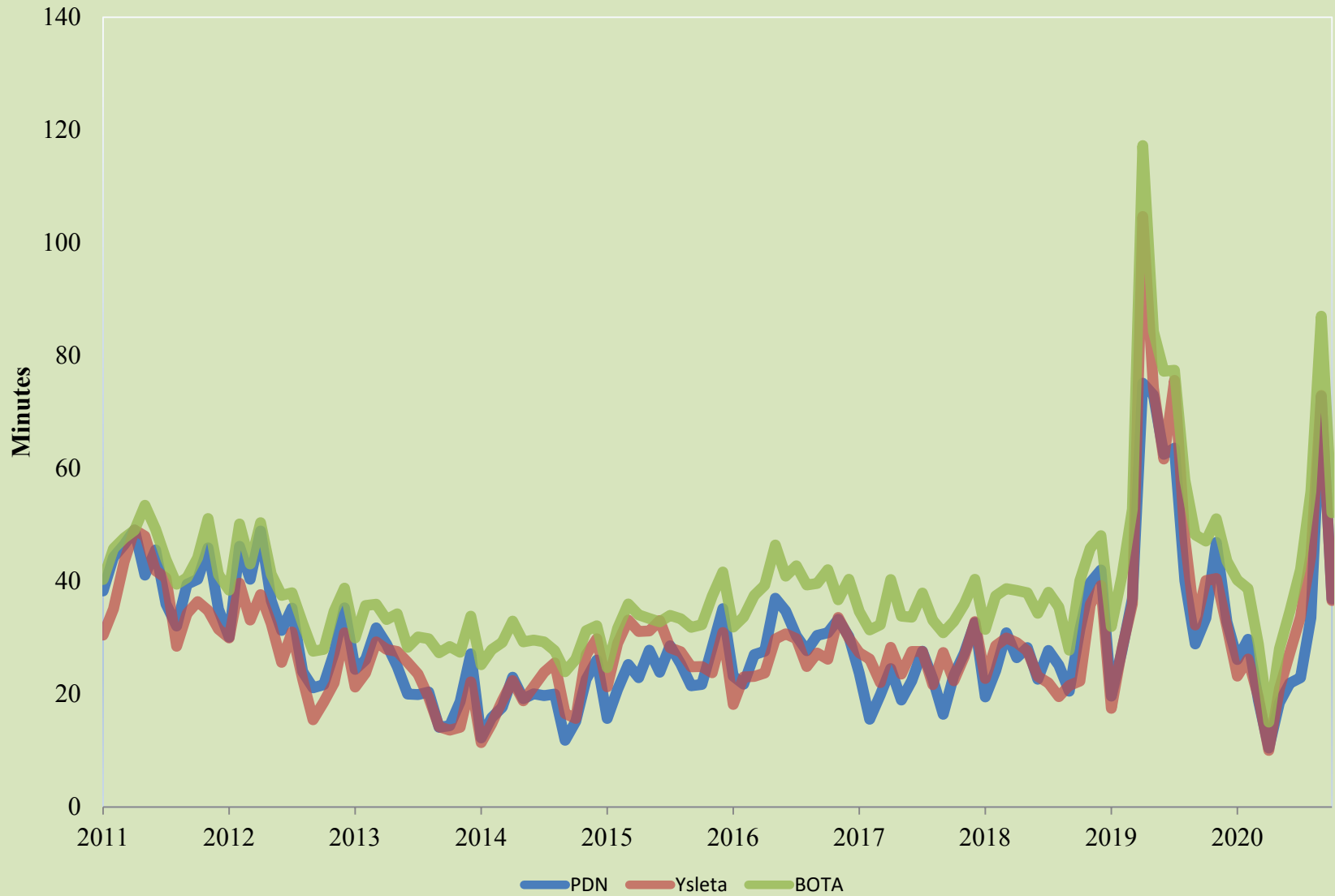
## Bridge of the Americas Monthly Wait Times

2019 2020



Source: UTEP Border Region Modeling Project

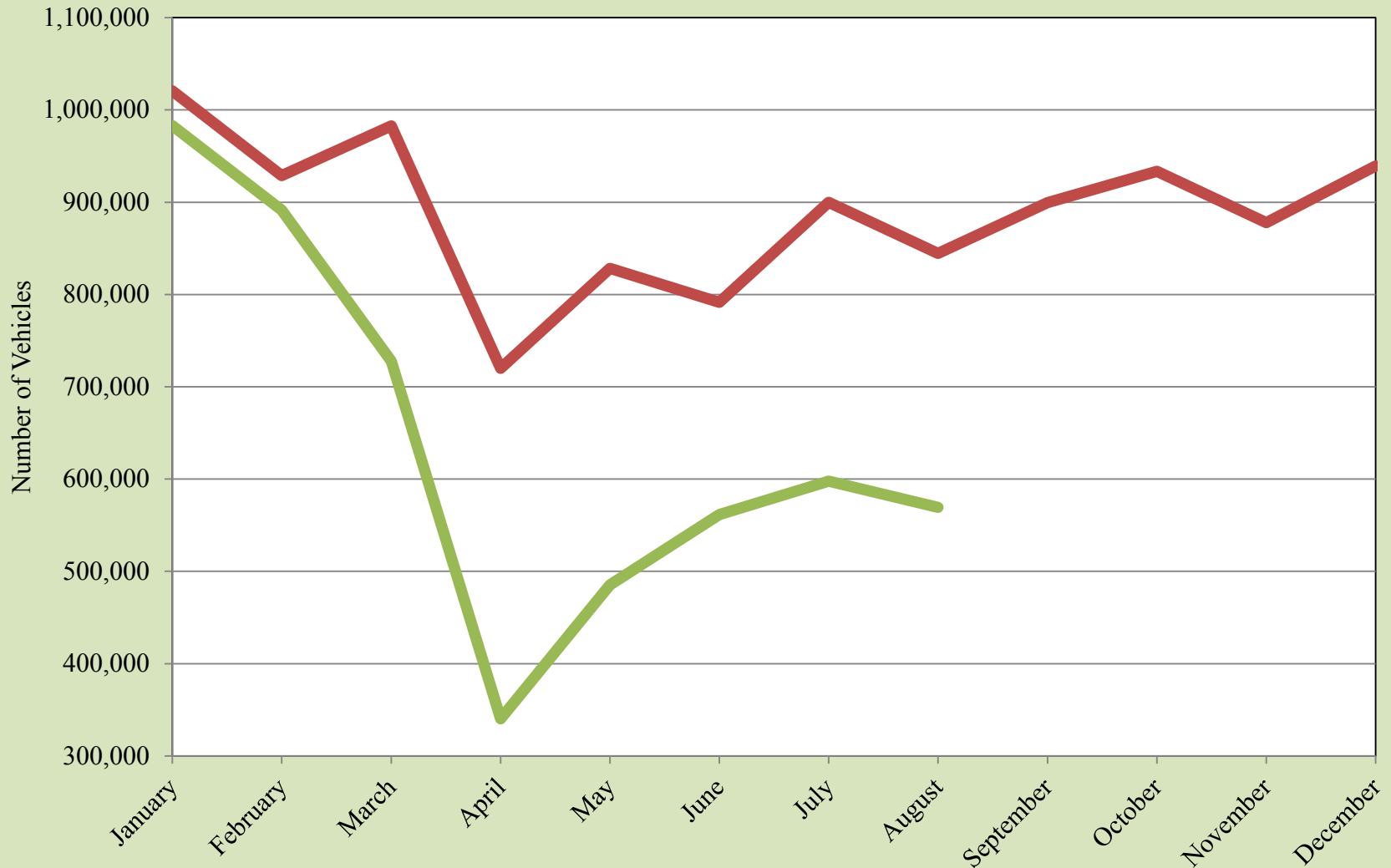
## Monthly Border Wait Times



Source: UTEP Border Region Modeling Project

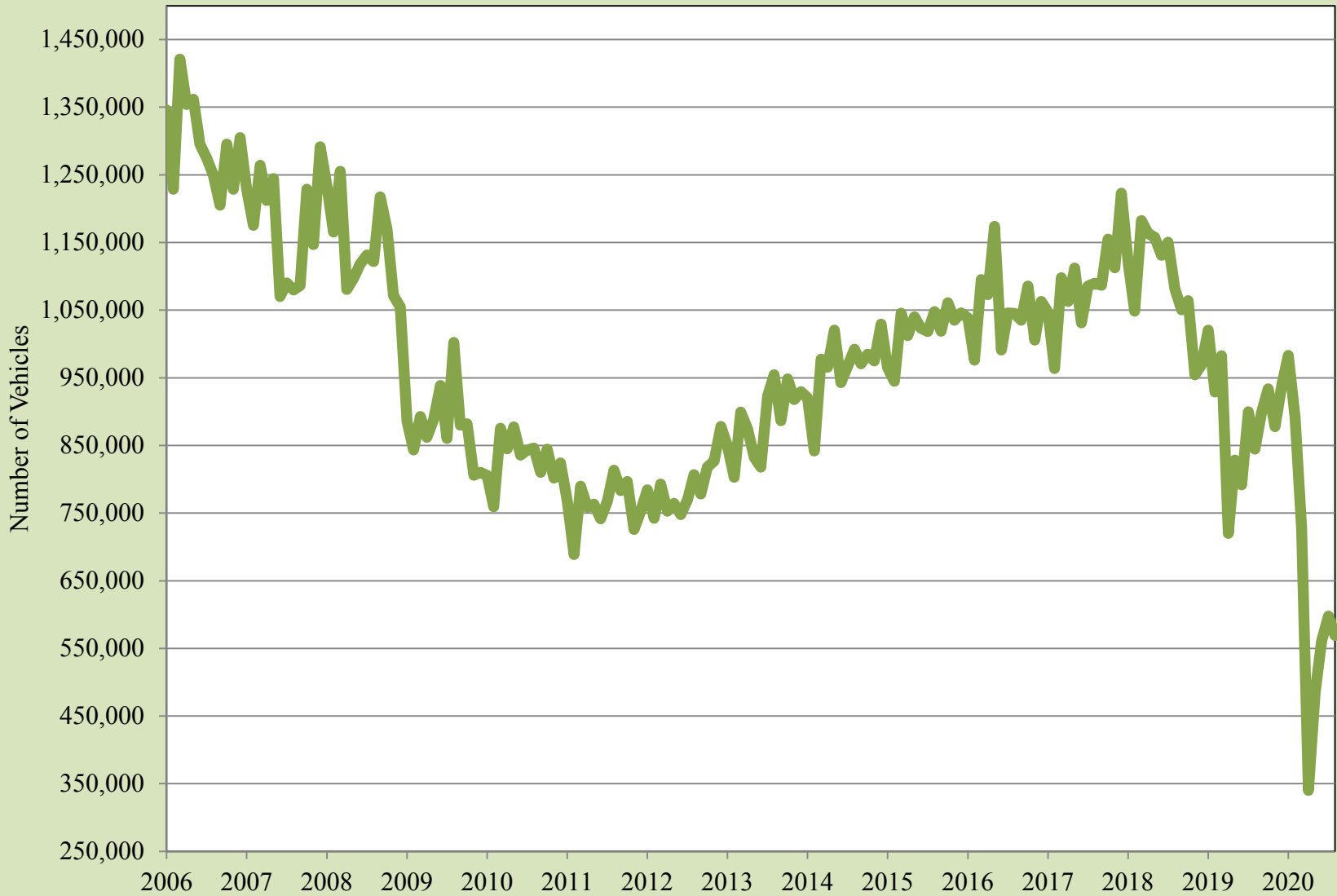
## Personal Vehicle International Bridge Crossings to El Paso

2019 2020



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

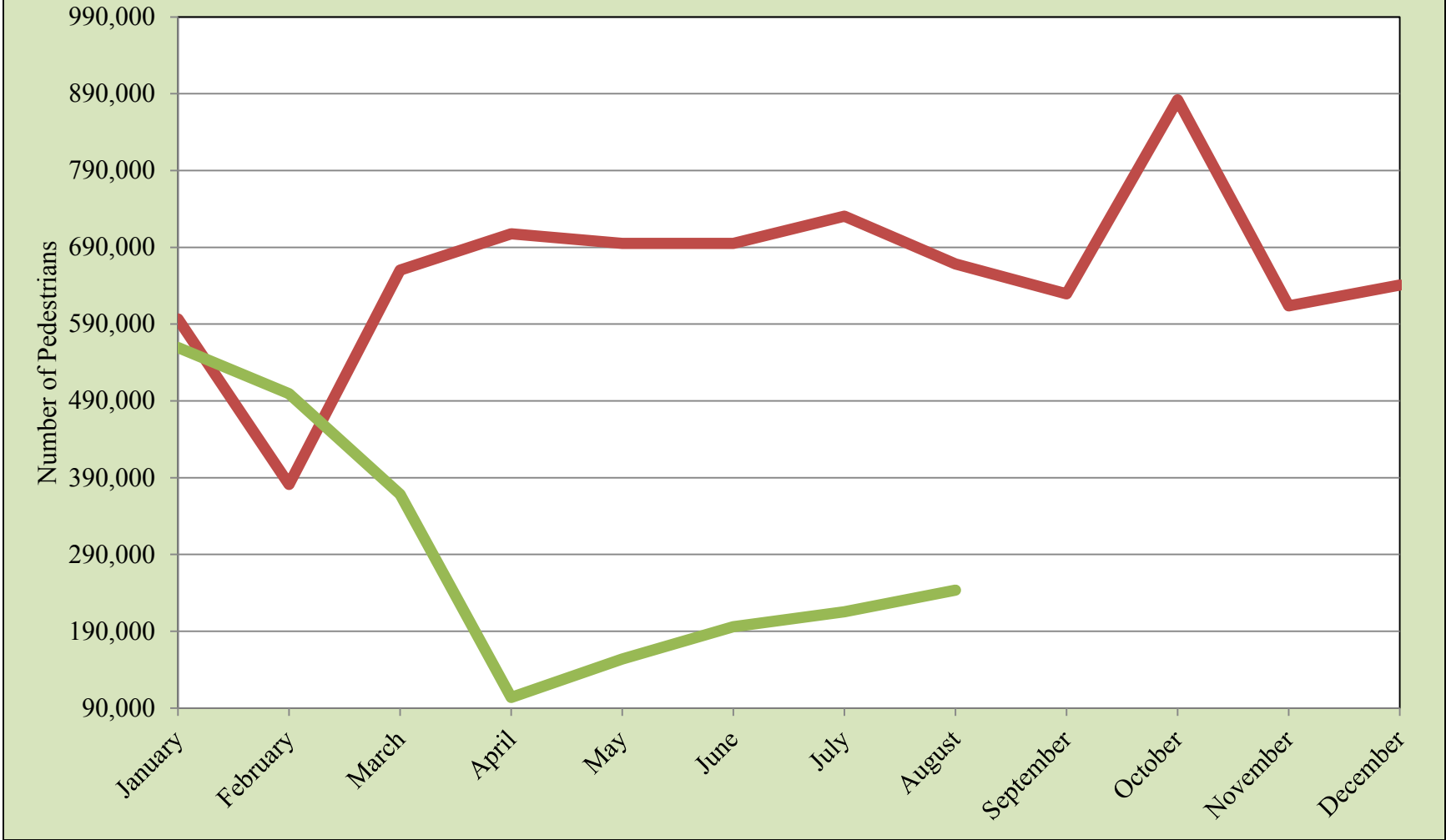
## Personal Vehicle International Bridge Crossings to El Paso



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

# Pedestrian International Bridge Crossings to El Paso

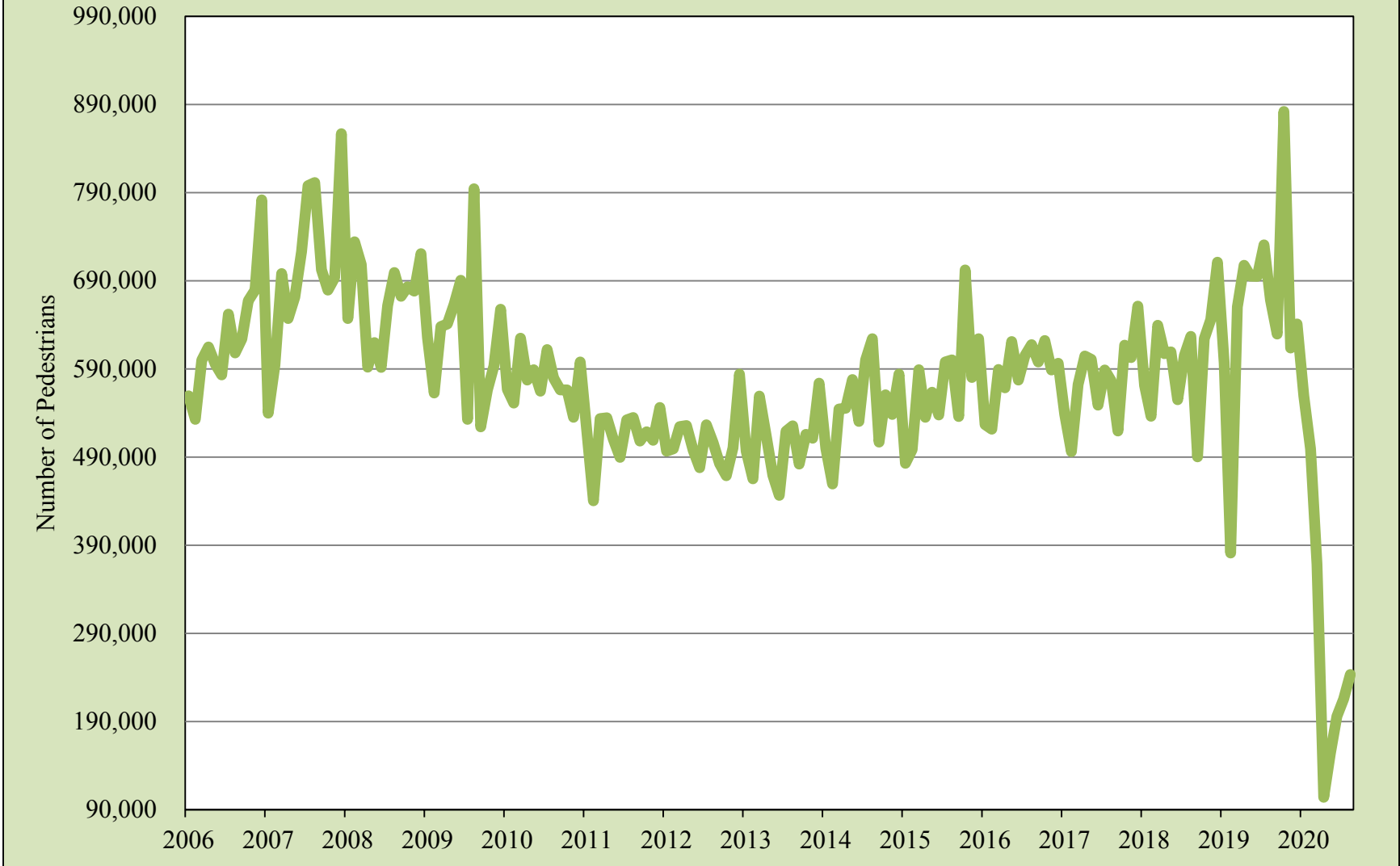
2019 2020



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



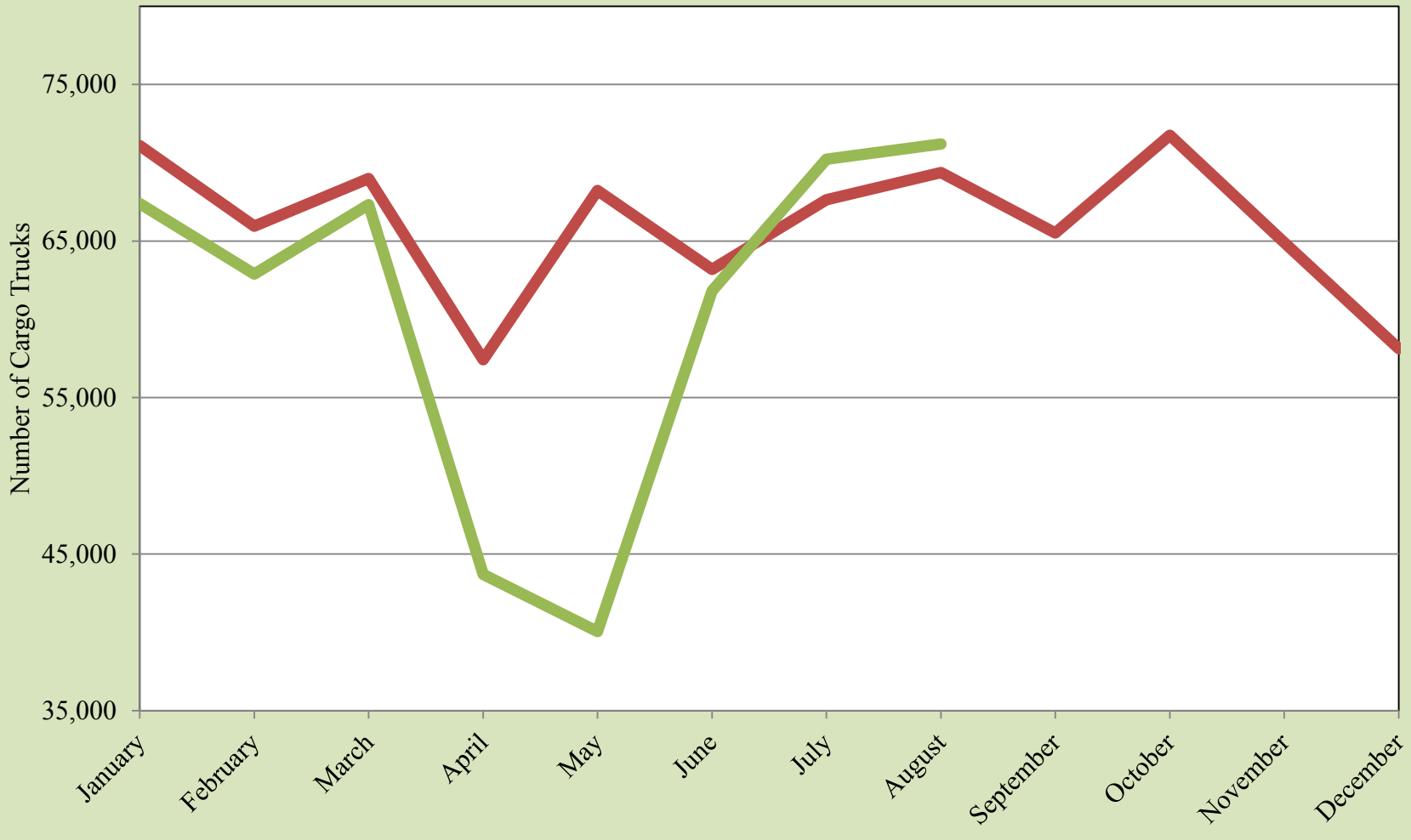
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Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

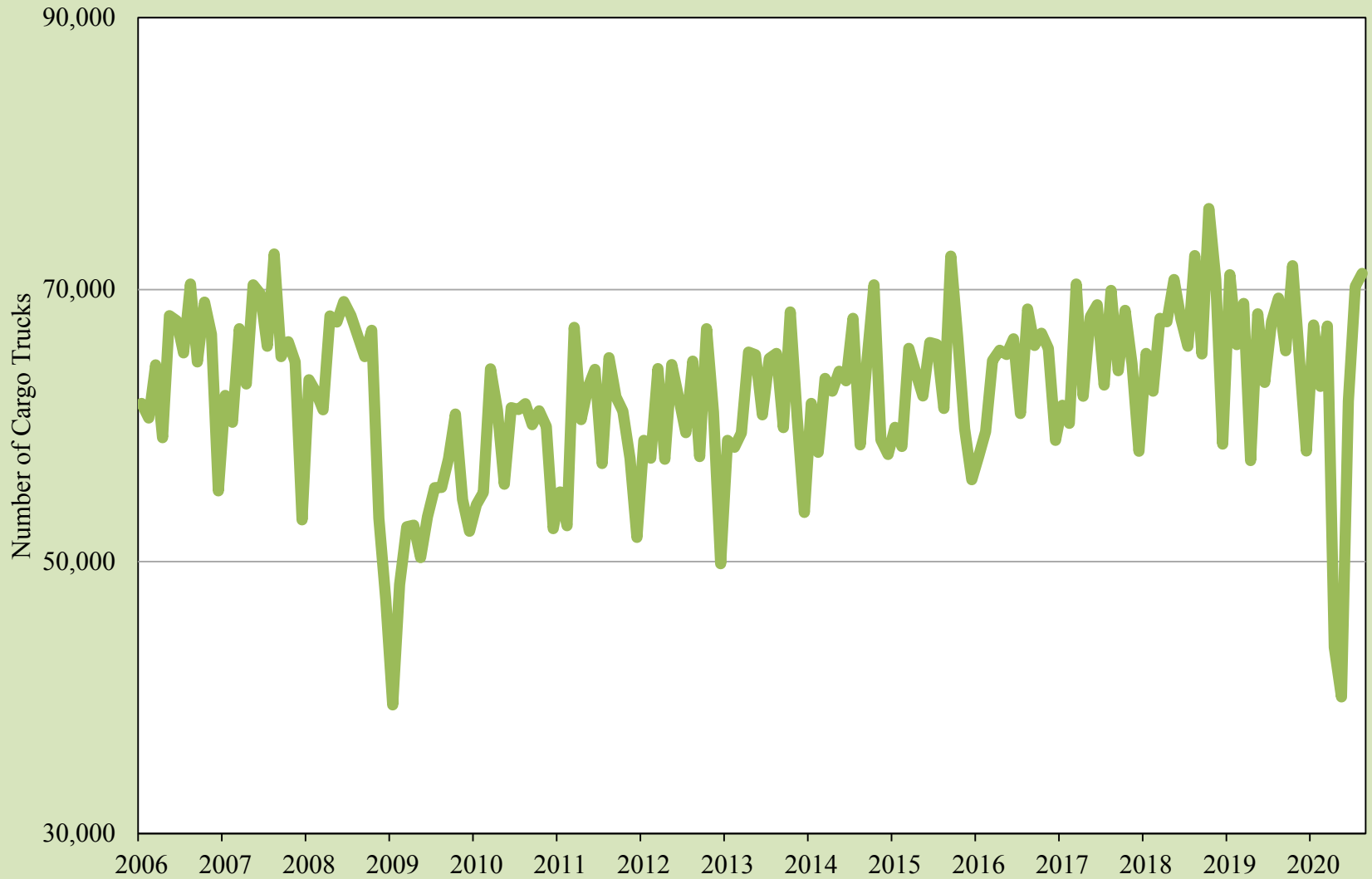
## Cargo Truck International Bridge Crossings to El Paso

2019 2020



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

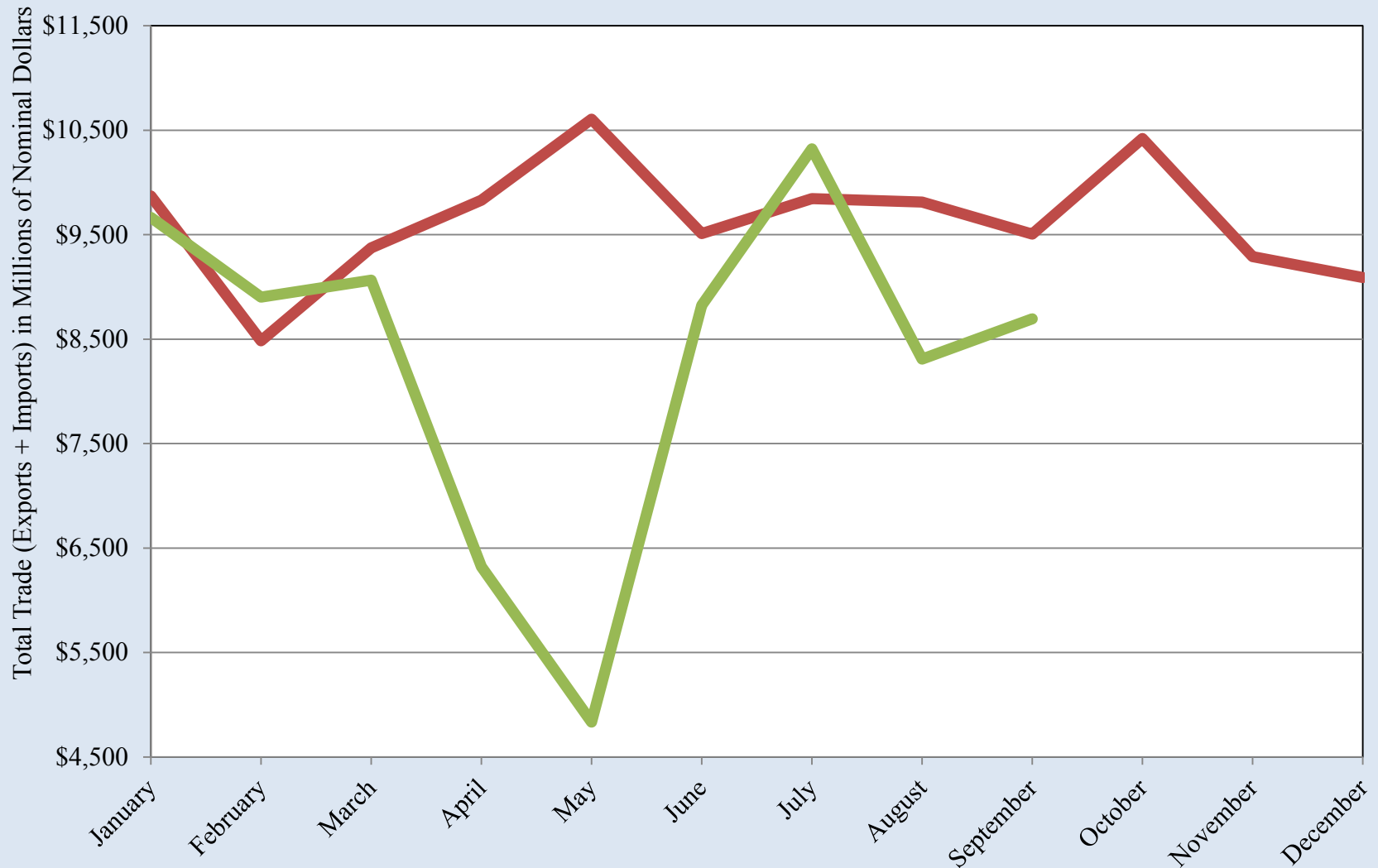
## Cargo Truck International Bridge Crossings to El Paso



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

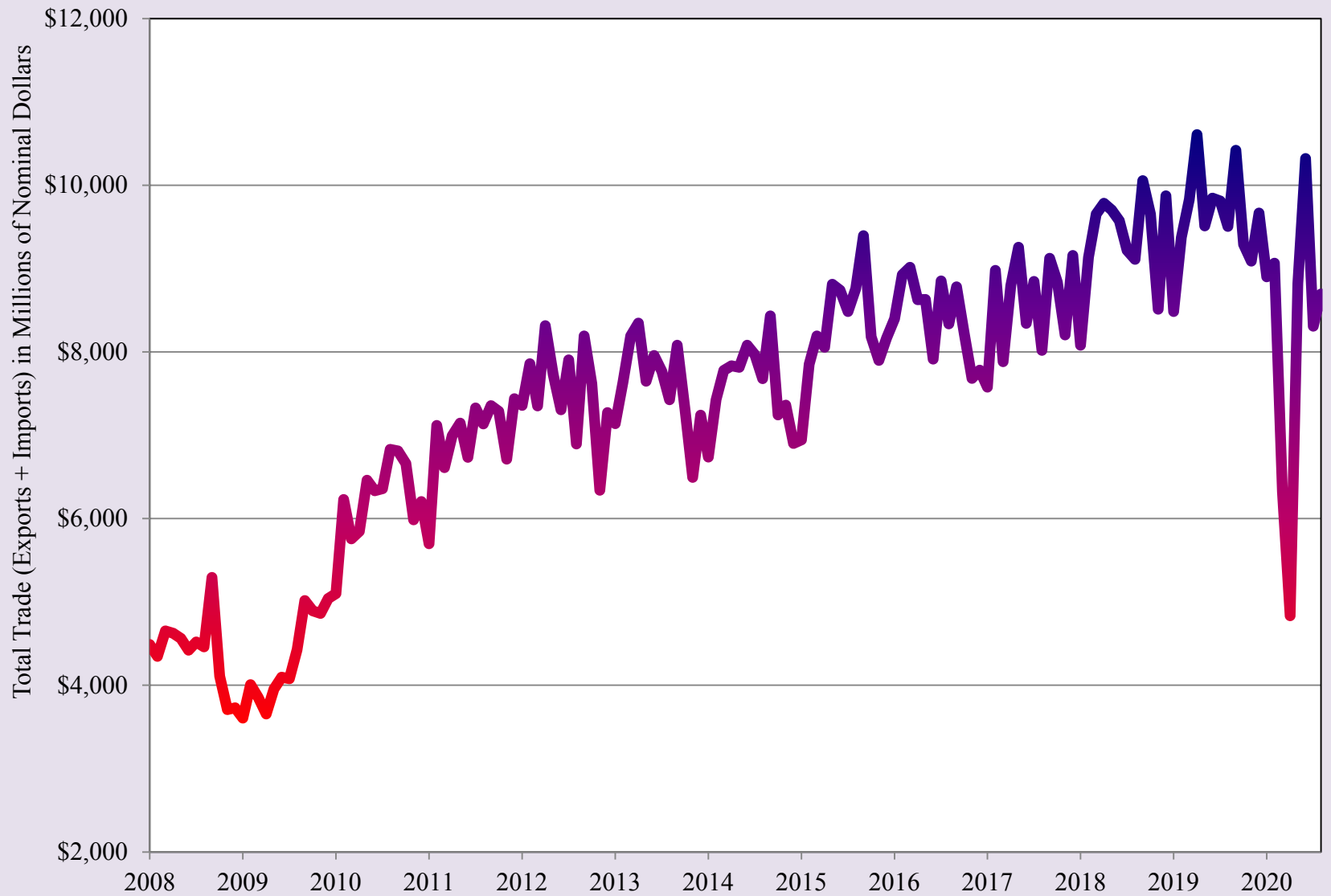
## Total Trade through the El Paso Customs District

2019 2020



Source: U.S. International Trade Commission

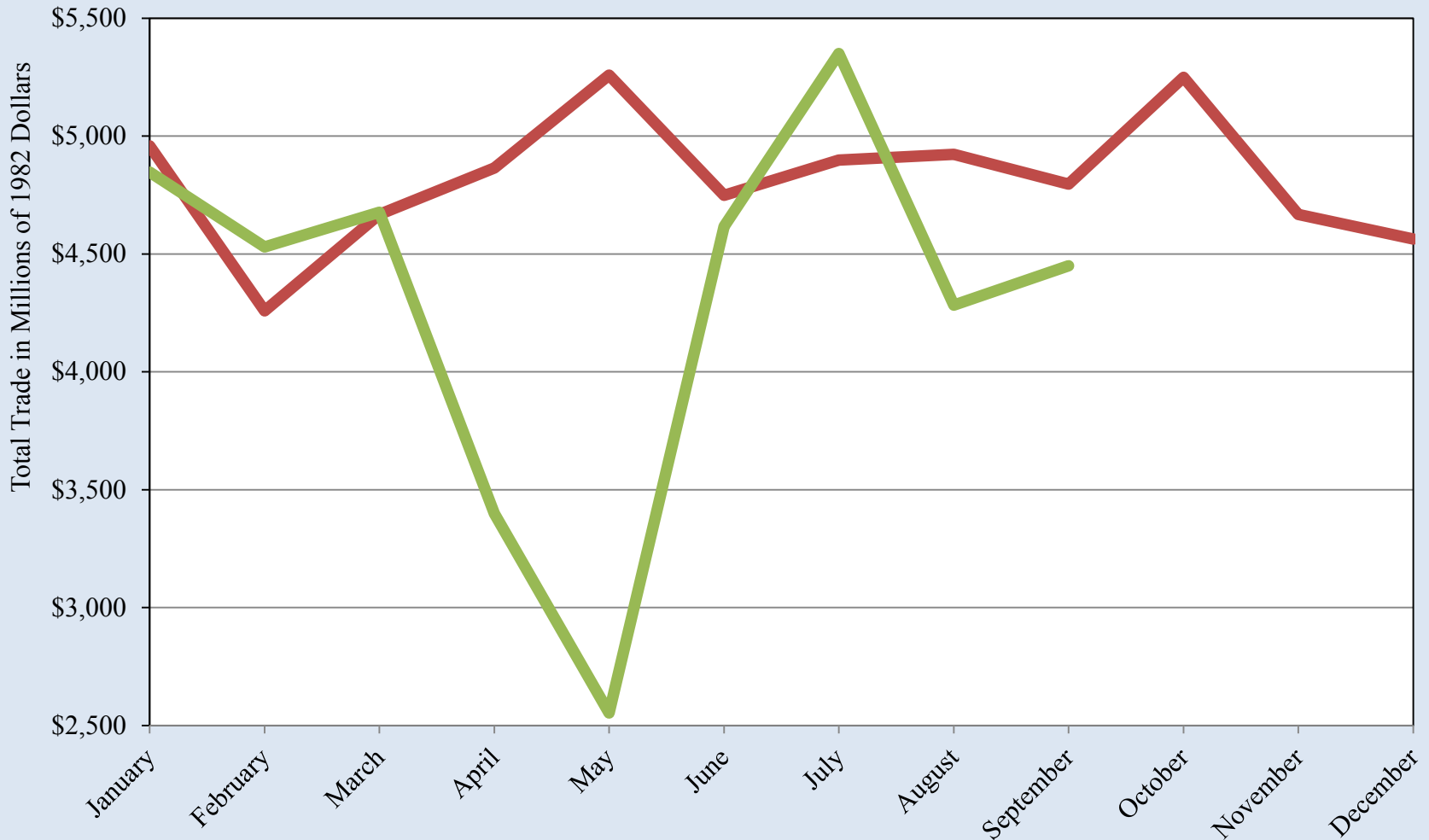
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Source: U.S. International Trade Commission

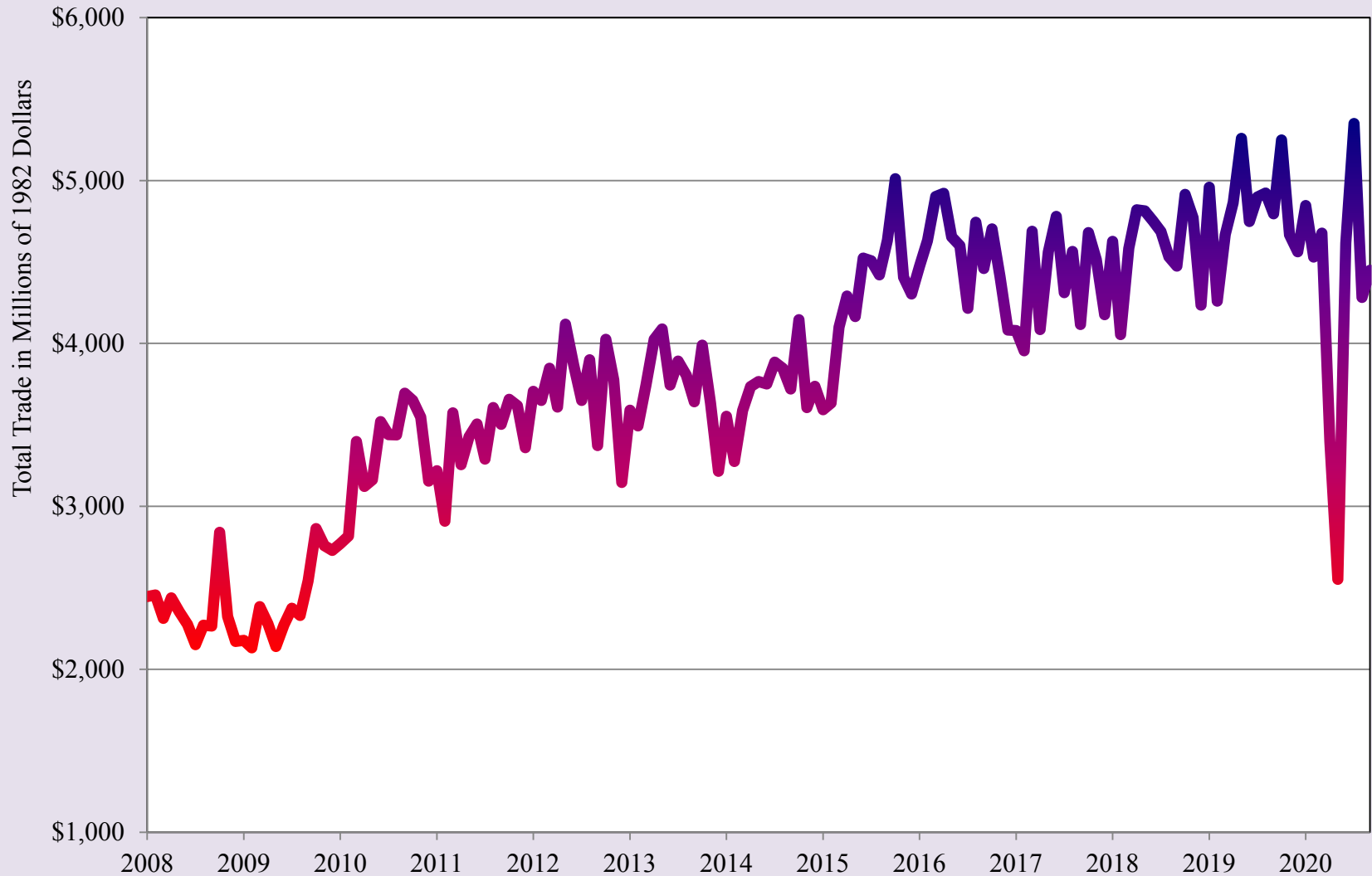
## Real Total Trade through the El Paso Customs District

2019 2020



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

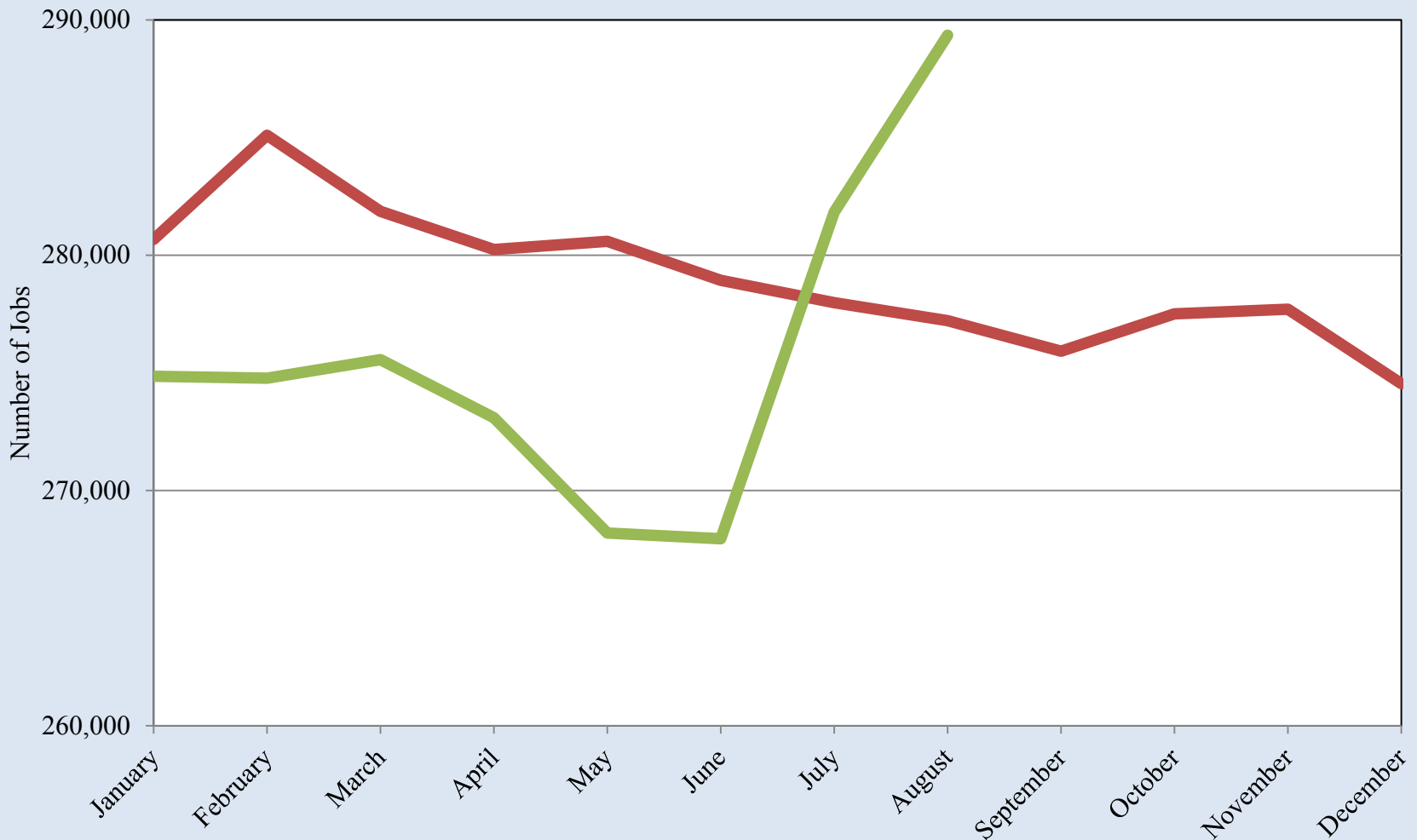
## Real Total Trade through the El Paso Customs District



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

## Export-Oriented Manufacturing Employment in Ciudad Juárez

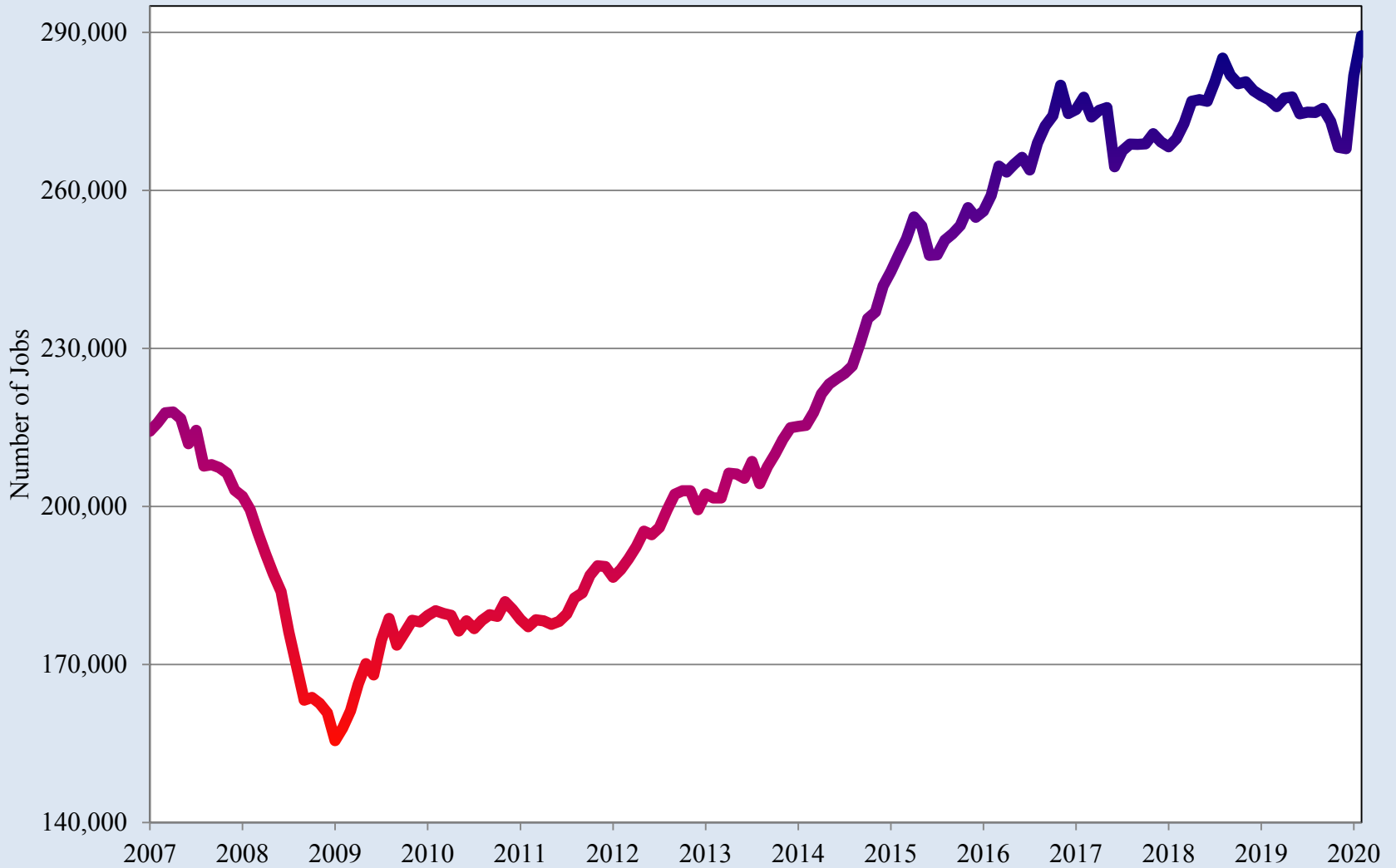
2019 2020



Source: INEGI



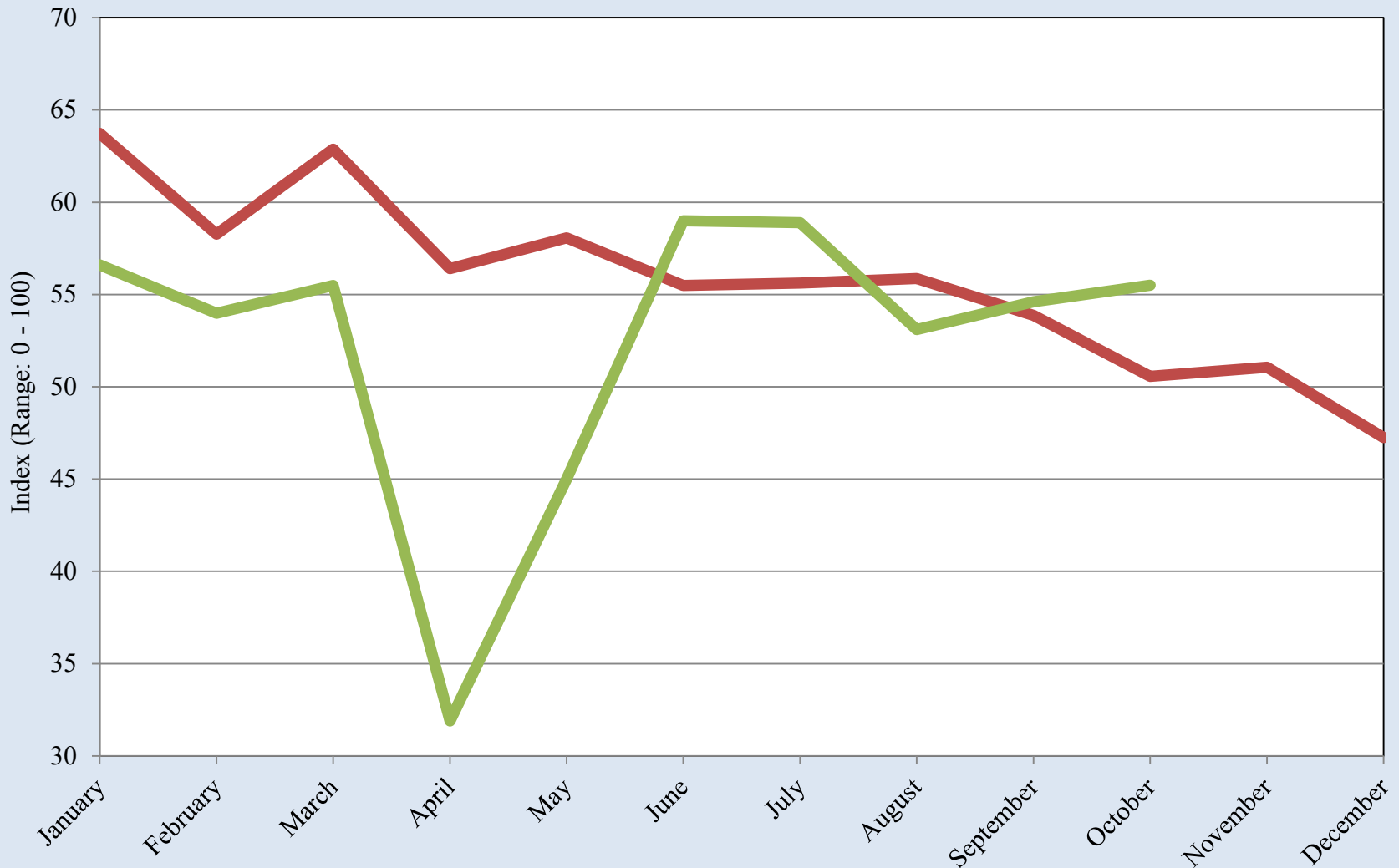
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Source: INEGI

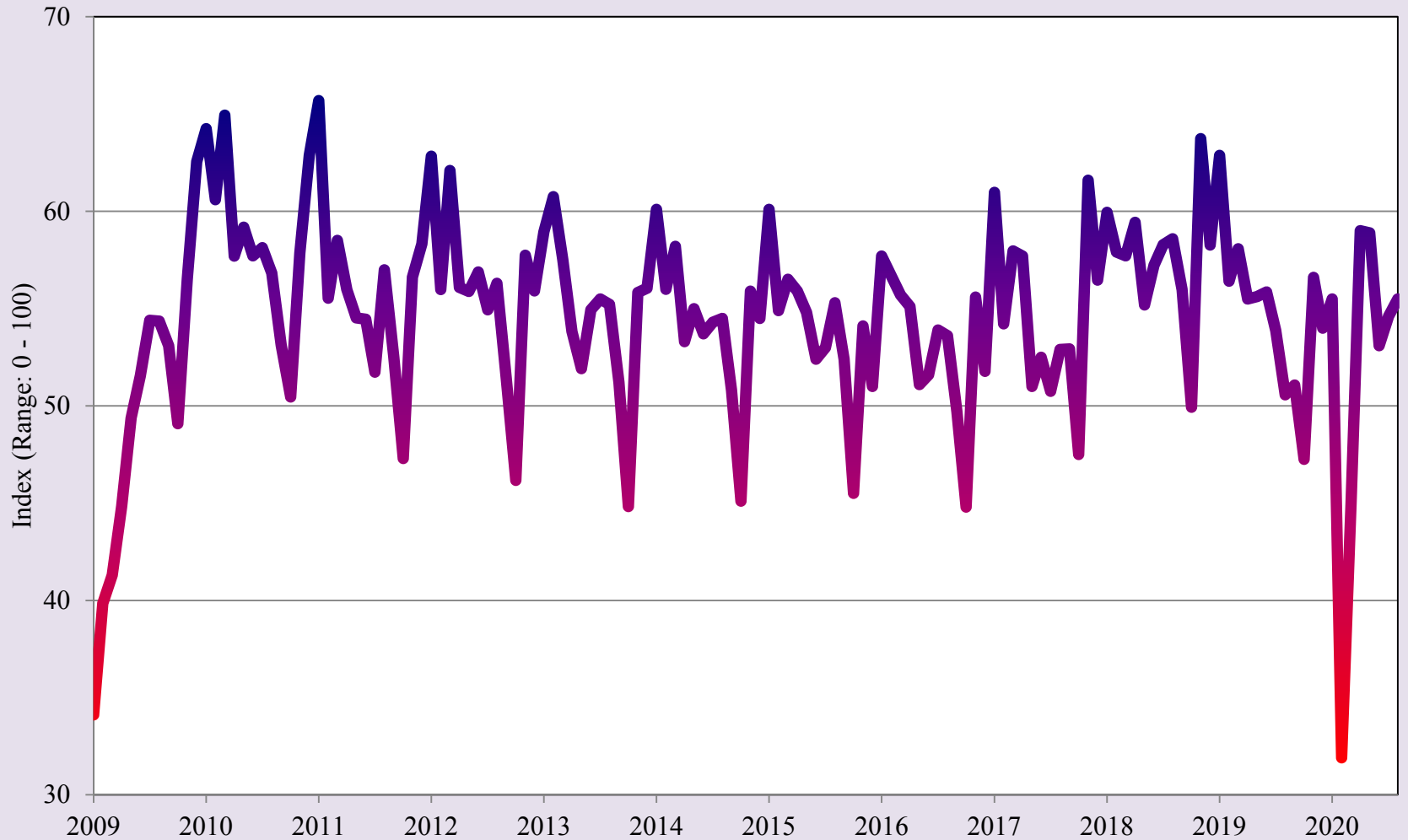
# Northern Mexico Manufacturing Orders Index

2019 2020



Source: Banco de México

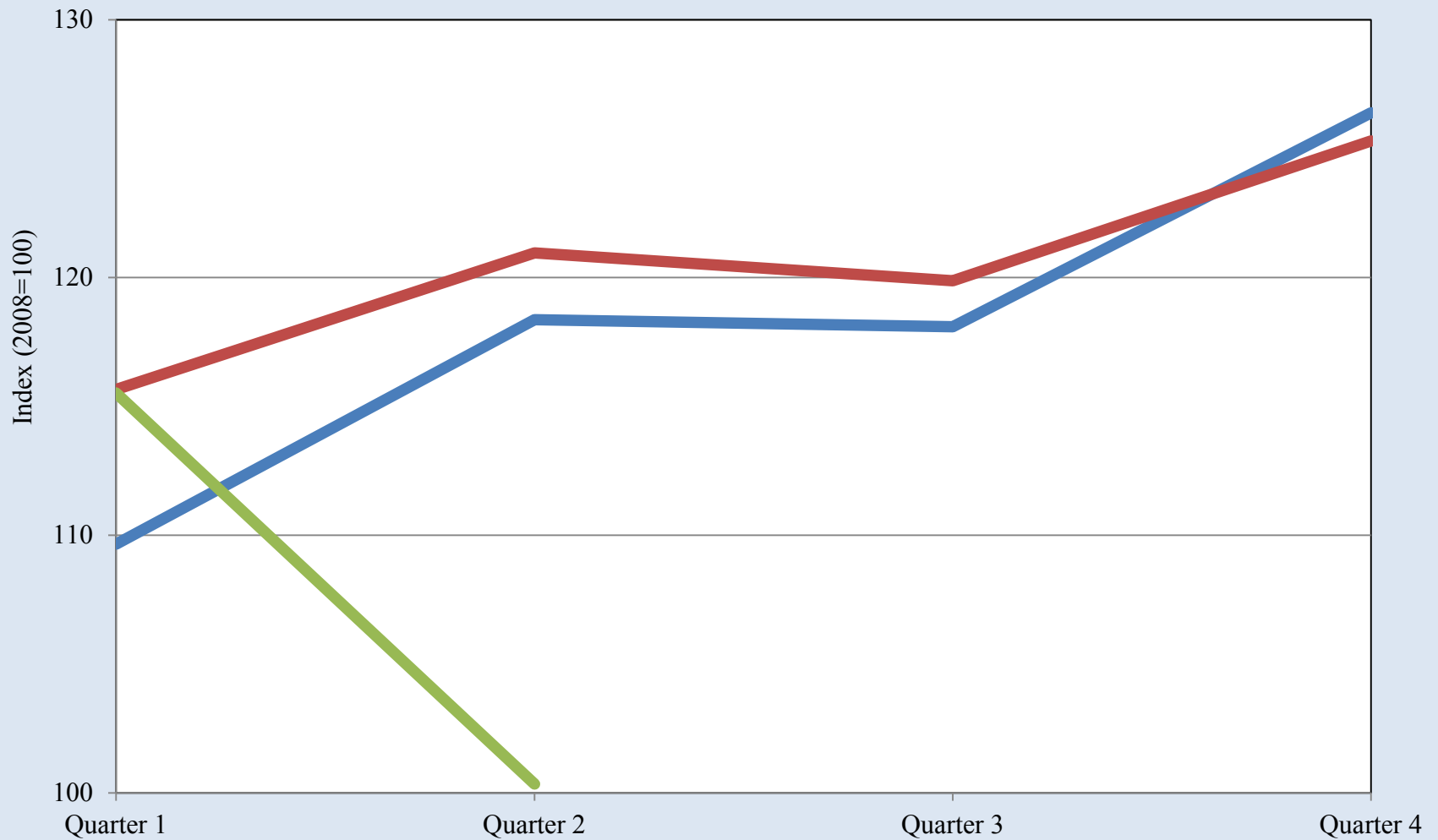
## Northern Mexico Manufacturing Orders Index



Source: Banco de México

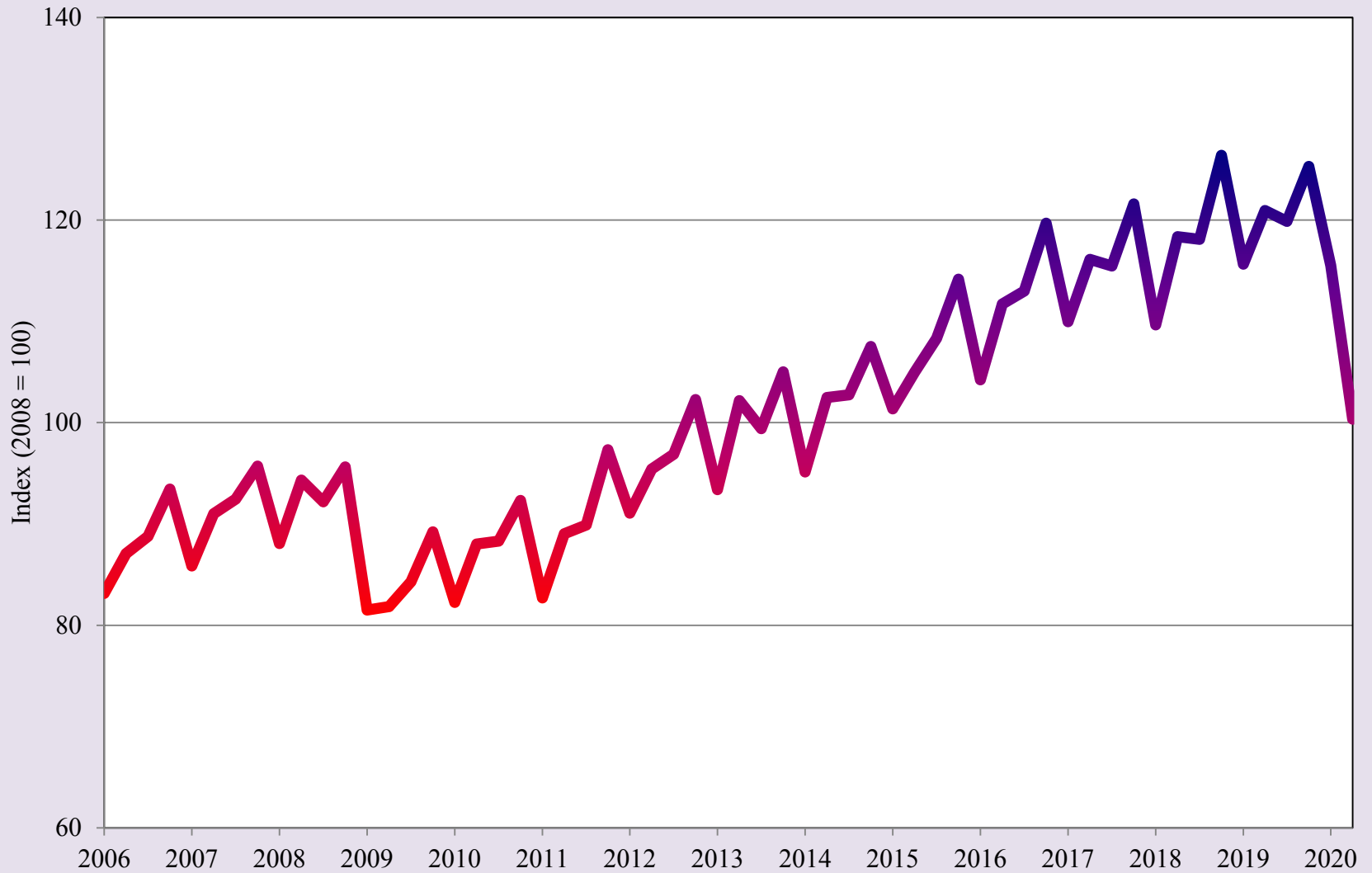
# Quarterly Indicator of Economic Activity for the State of Chihuahua

— 2018 — 2019 — 2020



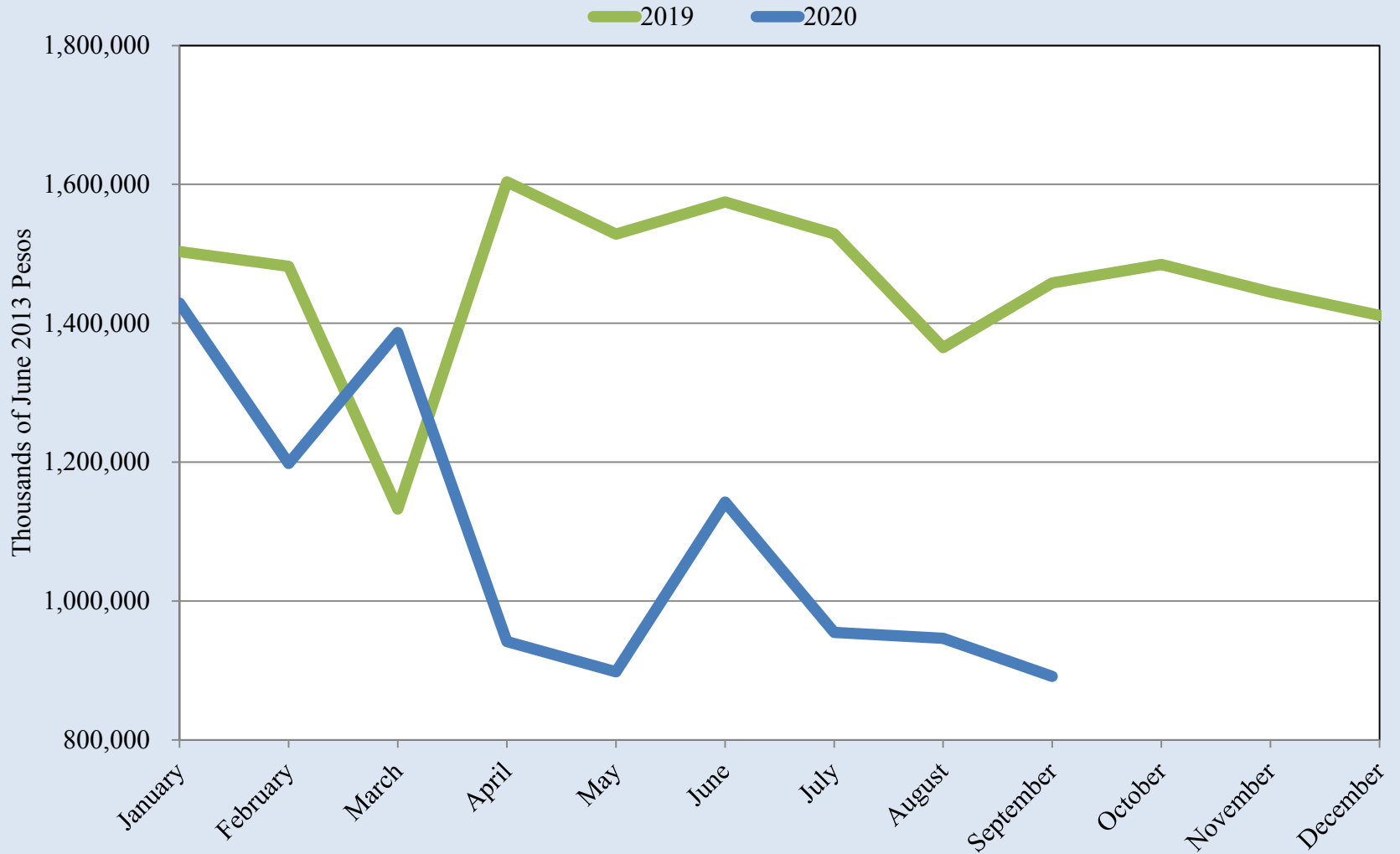
Source: INEGI

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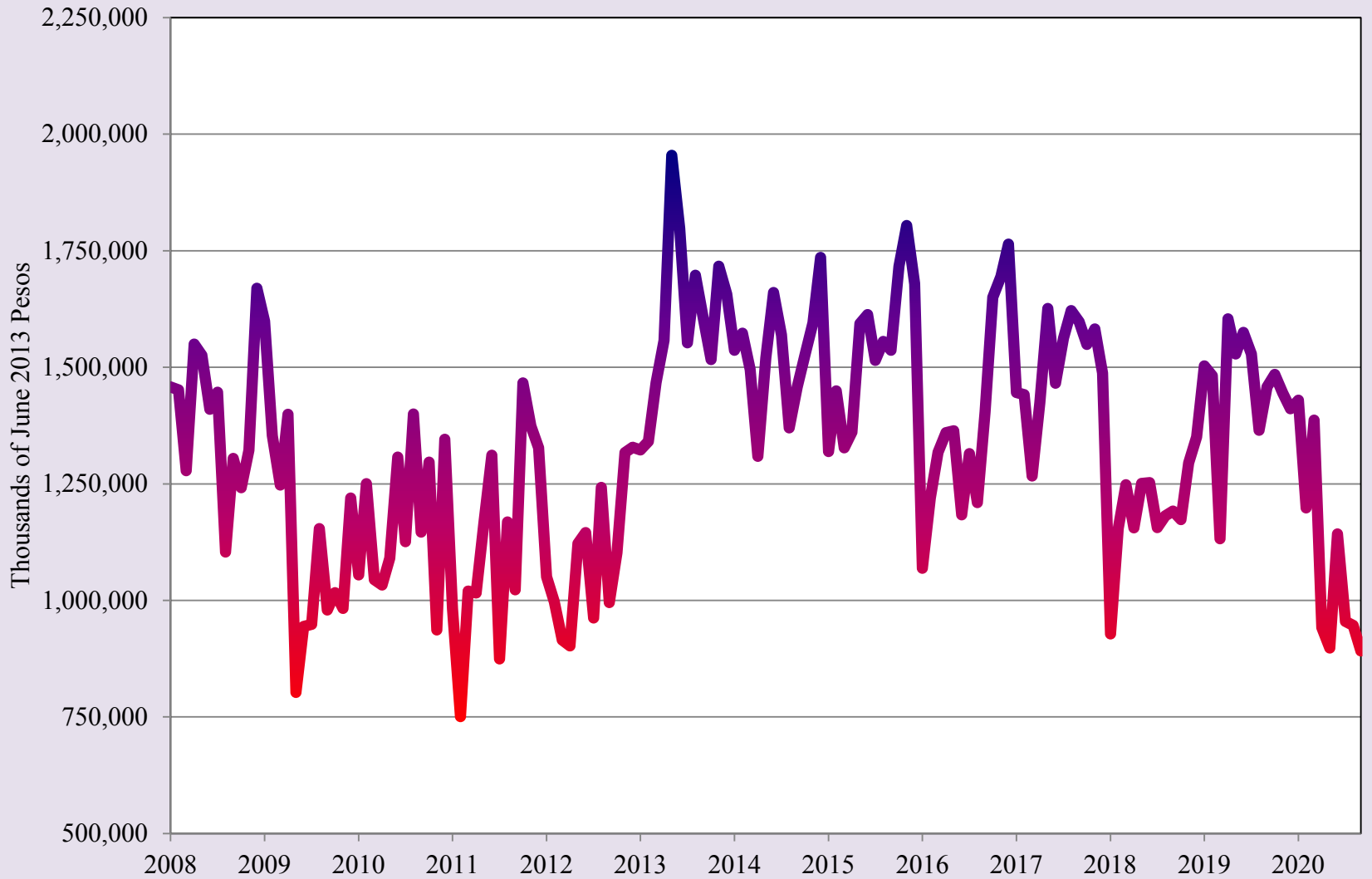
Source: INEGI

## Total Value of Construction in the State of Chihuahua



Source: INEGI

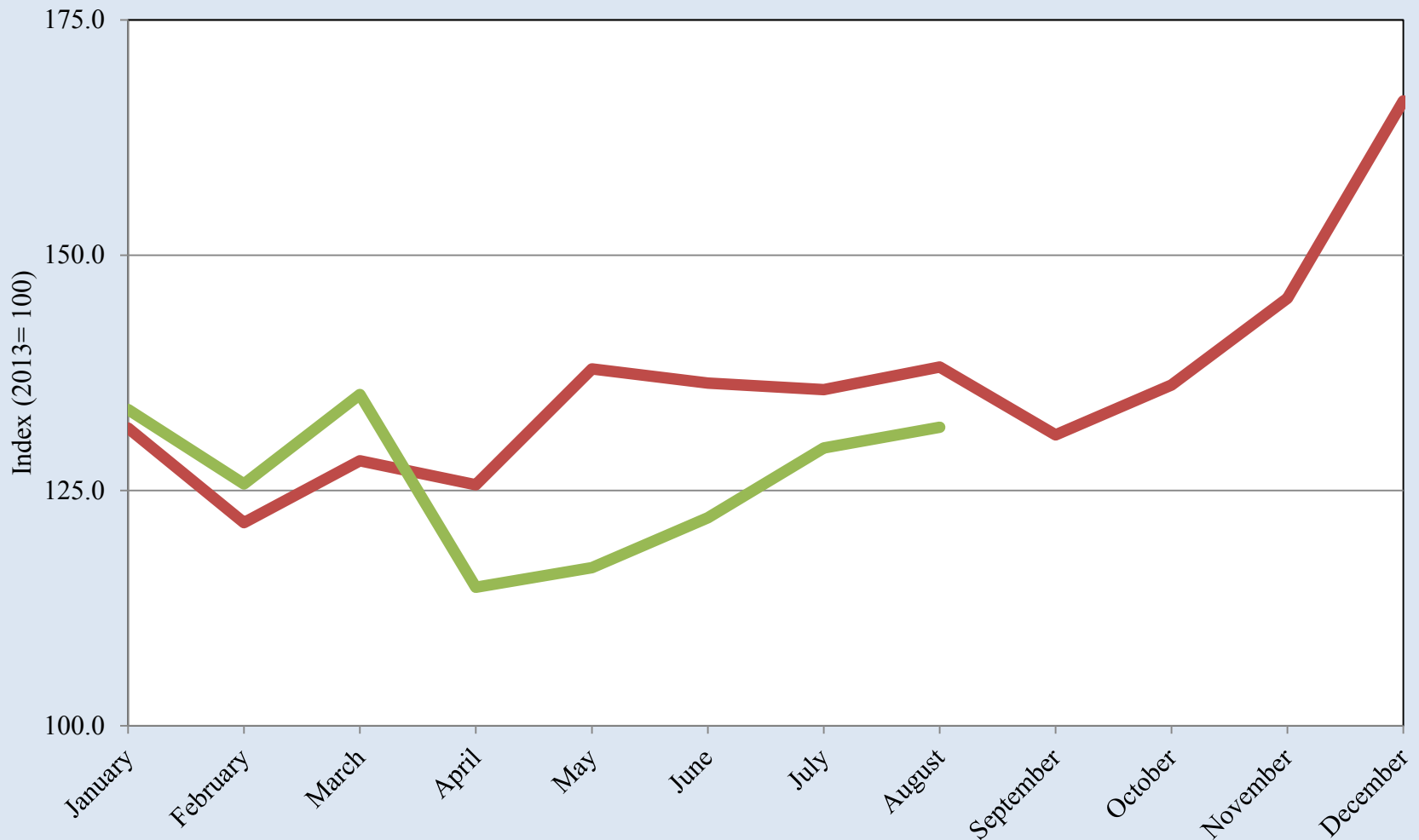
## Total Value of Construction in the State of Chihuahua



Source: INEGI

## Real Retail Activity Index for the State of Chihuahua

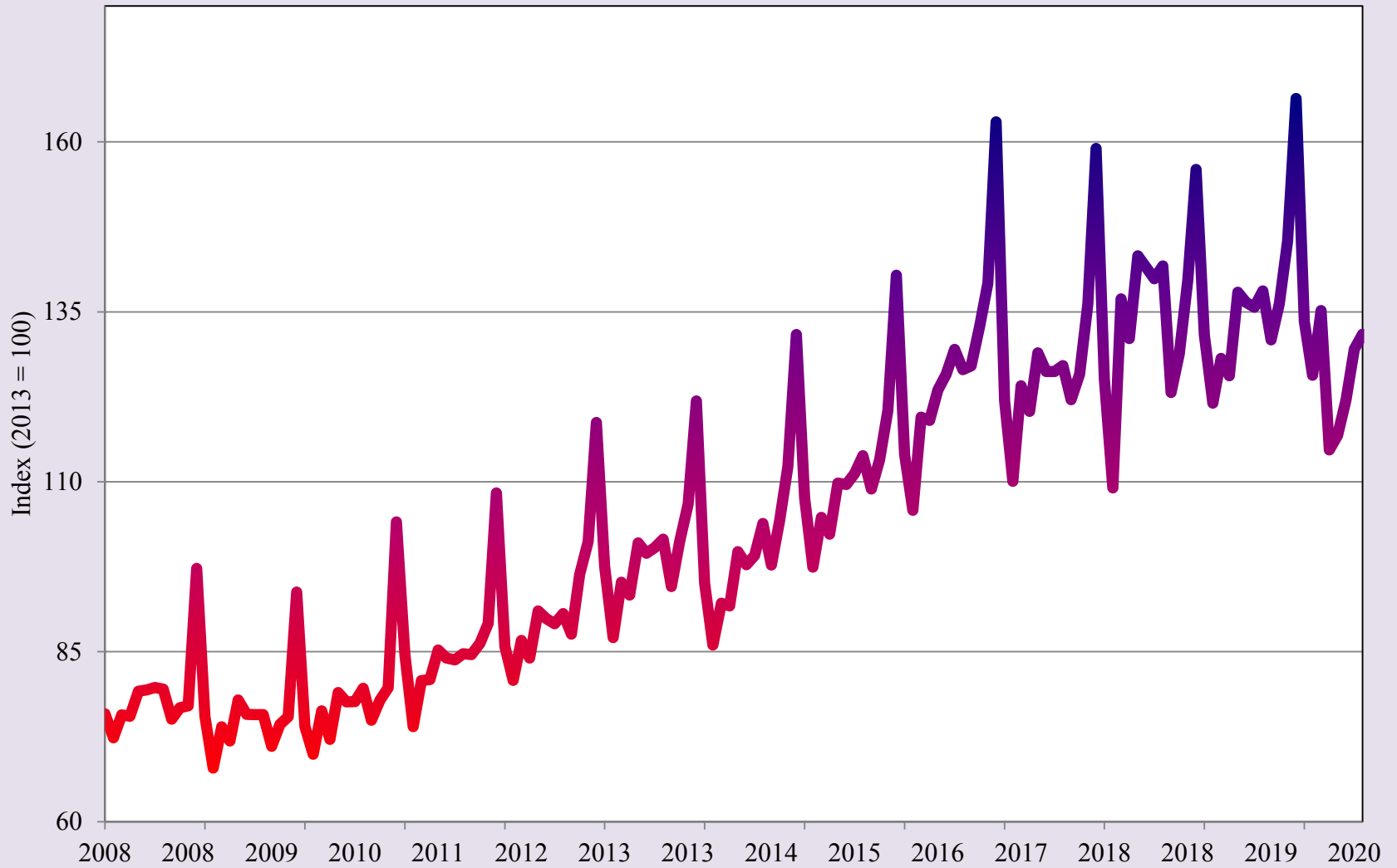
2019 2020



Source: INEGI



## Real Retail Activity Index for the State of Chihuahua



Source: INEGI



## Short-Term Outlook to 2021



# BORDERPLEX BUSINESS BAROMETER

## **University of Texas at El Paso**

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