Borderplex Business Barometer, Volume 4, Number 12

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Relief over Relief Bill Passage

The Covid-19 relief bill passed by Congress on 21 December was signed into law on the evening of 27 December. The new legislation also contains budgetary provisions to prevent a federal government shutdown. Totaling slightly more than $900 billion, the bill contains numerous provisions designed to help both households and businesses.

Stimulus checks worth $600 each will be sent to individuals who make less than $75,000 per year. Married couples who earn less than $150,000 will receive $1,200 stimulus checks plus $600 for each dependent minor. Those economic impact payments are estimated to reach $166 billion and will provide substantial assistance to many families in El Paso and Las Cruces.

Small businesses will receive approximately $325 billion in targeted federal aid. To minimize labor market disruptions, roughly 87 percent of that amount will be distributed by the U.S. Small Business Administration as a forgivable Paycheck Protection Program (PPP) forgivable loans. Of particular interest to small businesses in El Paso, Hudspeth, Doña Ana, and Otero Counties, $20 billion has been earmarked for economic injury loans and grants to businesses in low-income areas. Another $12 billion is also being targeted to assist companies in those same regions.

Many hotels, restaurants, chambers of commerce, visitor bureaus, sole proprietorships, and churches will also qualify for PPP loans. The PPP loans in this bill are capped at $2 million, a reduction from the $10 million cap in the prior legislation. To qualify for PPP loan forgiveness, 60 percent or more of the funds must be used to cover payroll expenses.

Federal unemployment supplements will continue for another eleven weeks. These payments of $300 per week to jobless persons are expected to reach $120 billion with a sunset date of 14 March 2021. With jobless rates above the national average, this provision is of particular importance to counties in the Borderplex region.

Supplemental Nutrition Assistance Program budgets are being increased by 15 percent during the first half of 2021. Beyond that, the federal eviction moratorium will remain in place through the end of January. Emergency rental assistance distributions of $25 billion have also been approved.

The bill further contemplates several types of infrastructure investments. State highway systems will receive $10 billion, with another $2 billion targeted to airports and intercity bus networks. Broadband internet expansion will be buttressed by $7 billion. As a means for reducing coronavirus transmission, colleges and schools will receive $82 billion for heating, cooling, and ventilation system repairs, upgrades, and replacements. Additional educational system support of $10 billion for child care expenses is being provided to fortify labor market participation.
El Paso Metropolitan Business Cycle Index

Seasonally Adjusted Index (October 1980 = 100)

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

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

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
El Paso County SNAP Enrollment. Three year period 2018 – 2020

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of SNAP Recipients</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>190,000</td>
</tr>
<tr>
<td>2020</td>
<td>185,000</td>
</tr>
</tbody>
</table>

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

Nominal Price

Source: Texas A&M Real Estate Center
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

Source: Bureau of Labor Statistics
Doña Ana County Unemployment Rate

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of SNAP Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>31,000</td>
</tr>
<tr>
<td>2020</td>
<td>30,500</td>
</tr>
</tbody>
</table>

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
Index (June 1997= 100)

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
Pharmaceutical Nominal Price Ratio in the USA and Mexico

Source: UTEP Border Region Modeling Project, healthwarehouse.com, medicinesmexico.com, medsmex.com
EPIA Freight and Mail (Inbound and Outbound) 2019 and 2020

<table>
<thead>
<tr>
<th>Ton of Freight/Mail</th>
<th>2019</th>
<th>2020</th>
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</thead>
<tbody>
<tr>
<td>September</td>
<td>7,000</td>
<td>7,500</td>
</tr>
<tr>
<td>August</td>
<td>8,000</td>
<td>8,500</td>
</tr>
<tr>
<td>July</td>
<td>9,000</td>
<td>9,500</td>
</tr>
<tr>
<td>June</td>
<td>6,500</td>
<td>7,000</td>
</tr>
<tr>
<td>May</td>
<td>7,500</td>
<td>8,000</td>
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<tr>
<td>April</td>
<td>8,000</td>
<td>8,500</td>
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<tr>
<td>March</td>
<td>8,500</td>
<td>9,000</td>
</tr>
<tr>
<td>February</td>
<td>9,000</td>
<td>9,500</td>
</tr>
</tbody>
</table>

Source: EPIA Operations
EPIA Freight and Mail

Source: EPIA Operations
EPIA Passengers (Deplaned and Enplaned)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Passengers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>400,000</td>
</tr>
<tr>
<td>2020</td>
<td>350,000</td>
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</tbody>
</table>

Source: EPIA Operations
EPIA Passengers

Number of Passengers


Source: EPIA Operations
EPIA Air Carrier Operations

Source: EPIA Operations
Source: EPIA Operations
Paso del Norte Monthly Wait Times

Source: UTEP Border Region Modeling Project
Ysleta Monthly Wait Times

Source: UTEP Border Region Modeling Project
Bridge of the Americas 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

<table>
<thead>
<tr>
<th>Year</th>
<th>Personal Vehicle International Bridge Crossings to El Paso</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>1,100,000</td>
</tr>
<tr>
<td>2020</td>
<td>1,000,000</td>
</tr>
</tbody>
</table>

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>2019</th>
<th>2020</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>990,000</td>
<td>890,000</td>
</tr>
<tr>
<td></td>
<td>790,000</td>
<td>690,000</td>
</tr>
<tr>
<td></td>
<td>590,000</td>
<td>490,000</td>
</tr>
<tr>
<td></td>
<td>390,000</td>
<td>290,000</td>
</tr>
<tr>
<td></td>
<td>190,000</td>
<td>90,000</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Pedestrians</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>90,000</td>
</tr>
<tr>
<td>2007</td>
<td>990,000</td>
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<tr>
<td>2008</td>
<td>999,000</td>
</tr>
<tr>
<td>2009</td>
<td>890,000</td>
</tr>
<tr>
<td>2010</td>
<td>790,000</td>
</tr>
<tr>
<td>2011</td>
<td>690,000</td>
</tr>
<tr>
<td>2012</td>
<td>590,000</td>
</tr>
<tr>
<td>2013</td>
<td>490,000</td>
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<tr>
<td>2014</td>
<td>390,000</td>
</tr>
<tr>
<td>2015</td>
<td>290,000</td>
</tr>
<tr>
<td>2016</td>
<td>190,000</td>
</tr>
<tr>
<td>2017</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

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>75,000</td>
<td>65,000</td>
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<tr>
<td>2020</td>
<td>55,000</td>
<td>45,000</td>
</tr>
<tr>
<td>2021</td>
<td>35,000</td>
<td>(data not shown)</td>
</tr>
</tbody>
</table>

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

Real Total Trade through the El Paso Customs District

Export Oriented manufacturing employment in Ciudad Juárez

Source: INEGI
Aggregate Export-Oriented Manufacturing Employment in Ciudad Juárez

Export-Oriented Manufacturing Employment in Ciudad Juárez

Source: INEGI
Northern Mexico Manufacturing Orders Index

Index (Range: 0 - 100)

Source: Banco de México
Northern Mexico Manufacturing Orders Index

Index (Range: 0 - 100)

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

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

Source: INEGI
 Thousands of June 2013 Pesos

Total Value of Construction in the State of Chihuahua

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

Thousands of June 2013 Pesos

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

Index (2013=100)

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

Index (2013 = 100)

Source: INEGI
Short-Term Outlook to 2022
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.