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Borderplex Business Barometer, Volume 5, Number 1

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T.M. Fullerton, Jr., S.L. Fullerton, A.P. Gutierrez-Zubiarte, and I. Santana-Ramirez, 2021,
"Borderplex Top 10 Economic Predictions for 2021" *Borderplex Business Barometer* 5(1), 1-58.



BORDERPLEX BUSINESS BAROMETER

January 2021

Border Region Modeling Project

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Border Commerce & Economics

Borderplex Business Barometer, Volume 5, Number 1

Borderplex Top 10 Economic Predictions for 2021

Mass COVID-19 vaccine rollouts will help the regional economy re-open. Positive employment growth will occur during the second half of 2021 in El Paso, Las Cruces, Ciudad Juarez, and Chihuahua City.

As the lockdown recession begins to fade, per capita incomes are expected to drop slightly to approximately \$38,500 in both El Paso and Las Cruces.

Economic recovery will raise the demand for energy. The price of regular unleaded gasoline is expected to increase at a double-digit rate and average \$2.22 in 2021.

As the novel coronavirus pandemic subsides, pandemic related fatalities will also decline by enough to force the total numbers of resident deaths in both Ciudad Juarez and Chihuahua City to fall in 2021.

Low mortgage rates will combine with local housing supply limitations to cause the median price for new single-family units to exceed \$177 thousand this year. Aggregate retail sales should climb above \$13 billion in 2021 as the jobless rate declines and consumer confidence strengthens in El Paso.

Greater economic stability plus fewer White House whipsaw policy threats will allow the peso to appreciate against the dollar to roughly 19.5 P/\$ for the year as a whole.

USMCA non-essential cross-border travel restrictions will begin to be eased during the second quarter. Northbound pedestrian and small vehicle traffic flows will surge by more than 1 million persons and cars, respectively.

As global trade accelerates, a double-digit rate of increase is also projected for the number of cargo vehicles traversing the international bridges into El Paso from Mexico.

Growth in international commerce plus new warehousing and distribution operations will cause in-bound and out-bound air freight flows to expand in 2021. As the pandemic subsides, passenger flows will expand substantially at El Paso International Airport. Average round trip air fares are predicted to jump by nearly 10 percent to nearly \$340 per ticket.

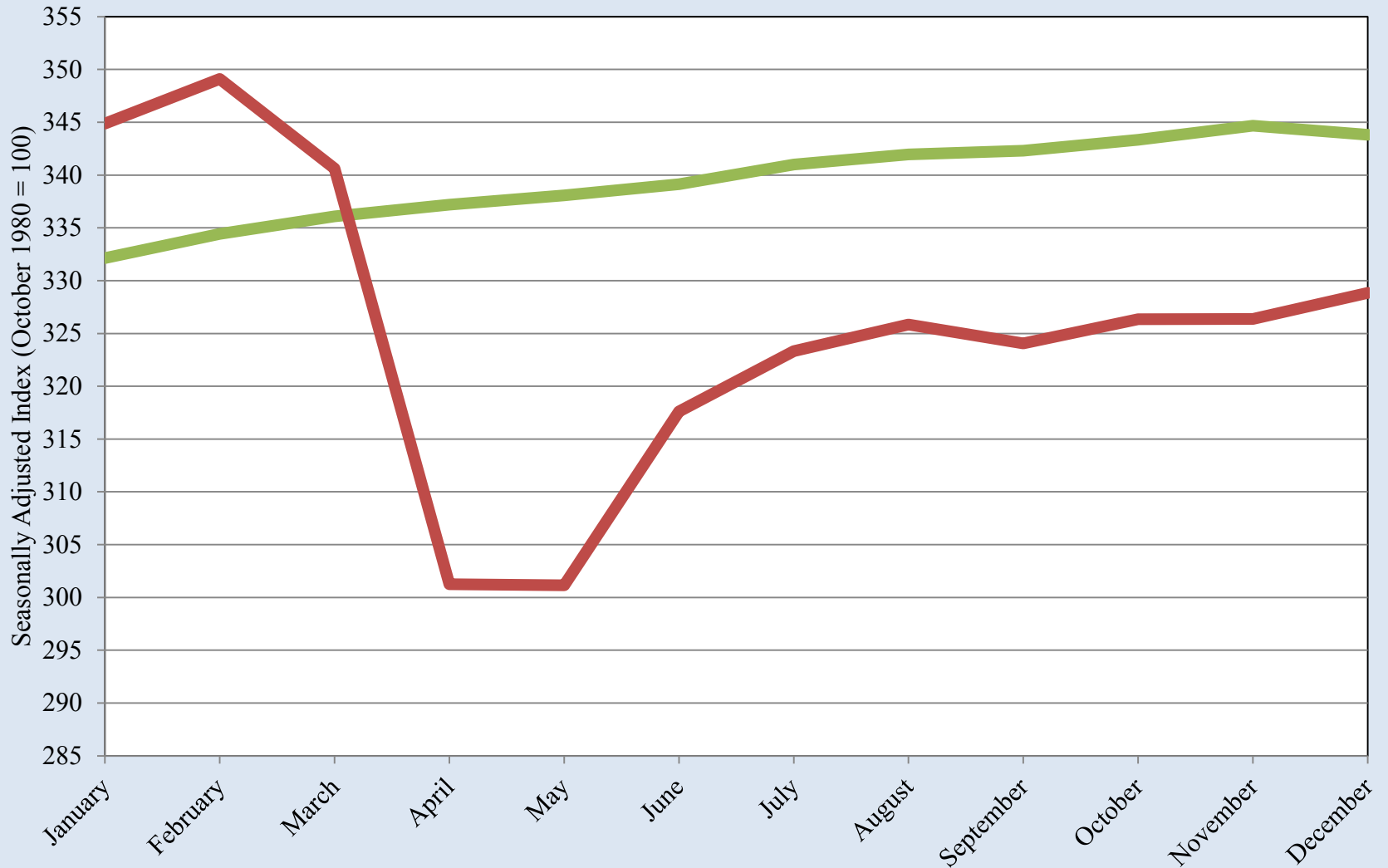
College enrollments will not fully recover until 2022 in El Paso, Las Cruces, Ciudad Juarez, and Chihuahua City. The demand for skilled labor will eventually draw students back to regional campuses. Labor market recoveries will allow automobile registrations

to begin slow rebounds in El Paso, Ciudad Juarez, and Chihuahua City in 2021.

The Borderplex region is in the initial phase of a slow return to economic normalcy. The Border Region Modeling Project has developed 18 tables of statistical detail regarding regional business cycle prospects. This extensive report is intended to support executives, managers, policy analysts, news organizations, and data analysts with operations in the region. Orders for **Borderplex Economic Outlook to 2022** can be made online: https://secure.touchnet.net/C21711_ustores/web/product_detail.jsp?PRODUCTID=825

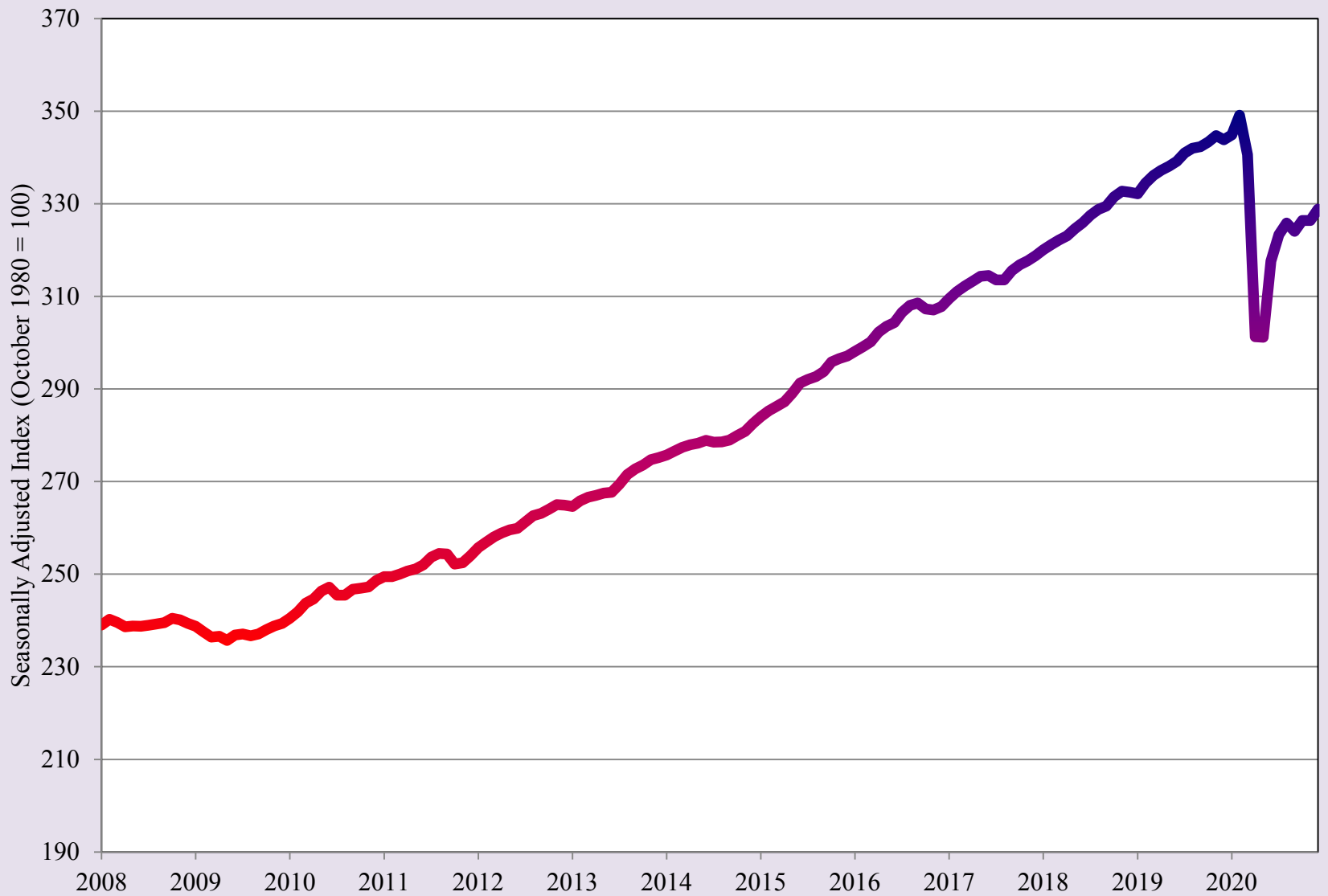
El Paso Metropolitan Business Cycle Index

2019 2020



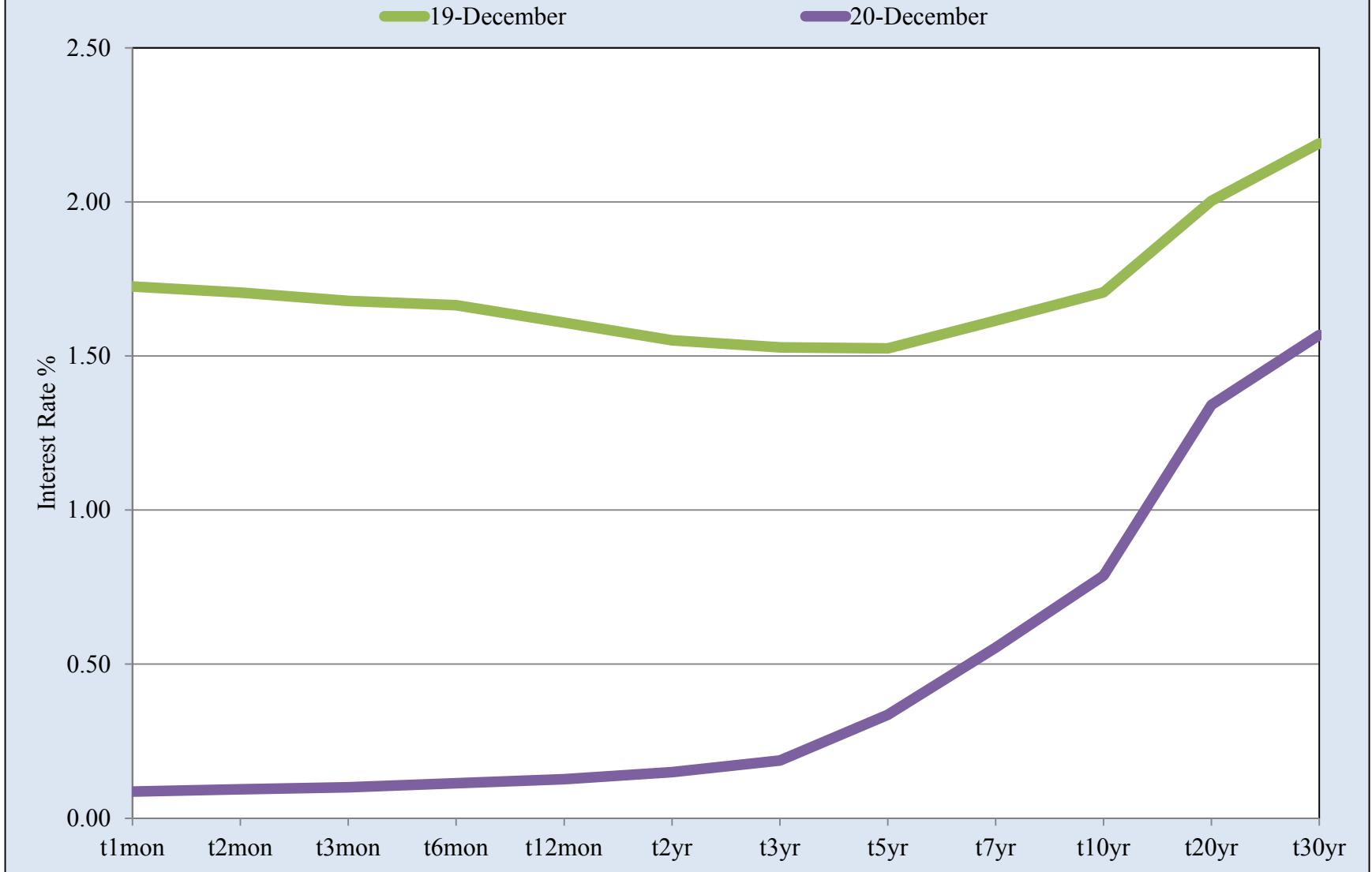
Source: Federal Reserve Bank of Dallas

El Paso Metropolitan Business Cycle Index



Source: Federal Reserve Bank of Dallas

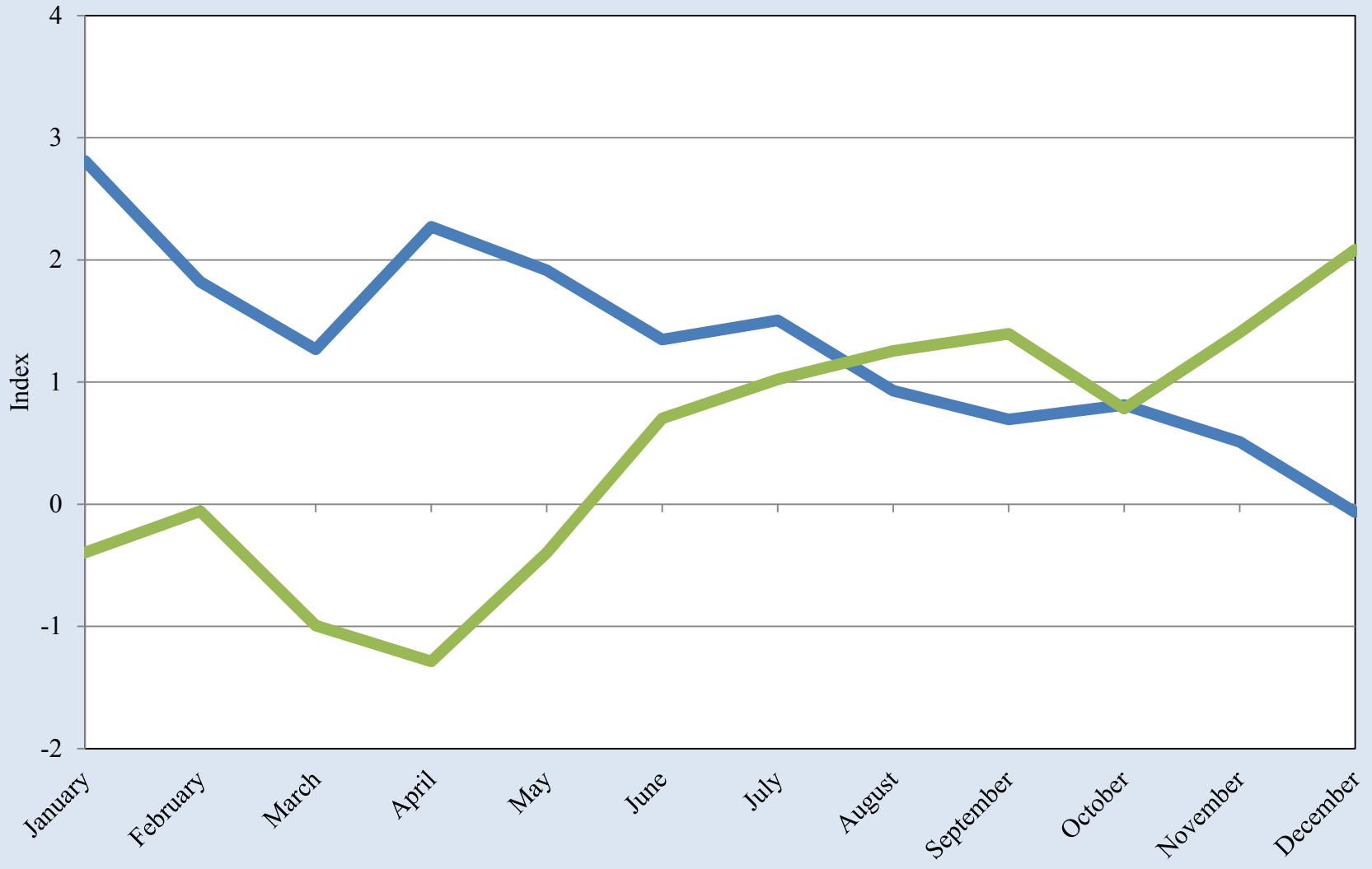
Average Treasury Yield Curve Rates



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

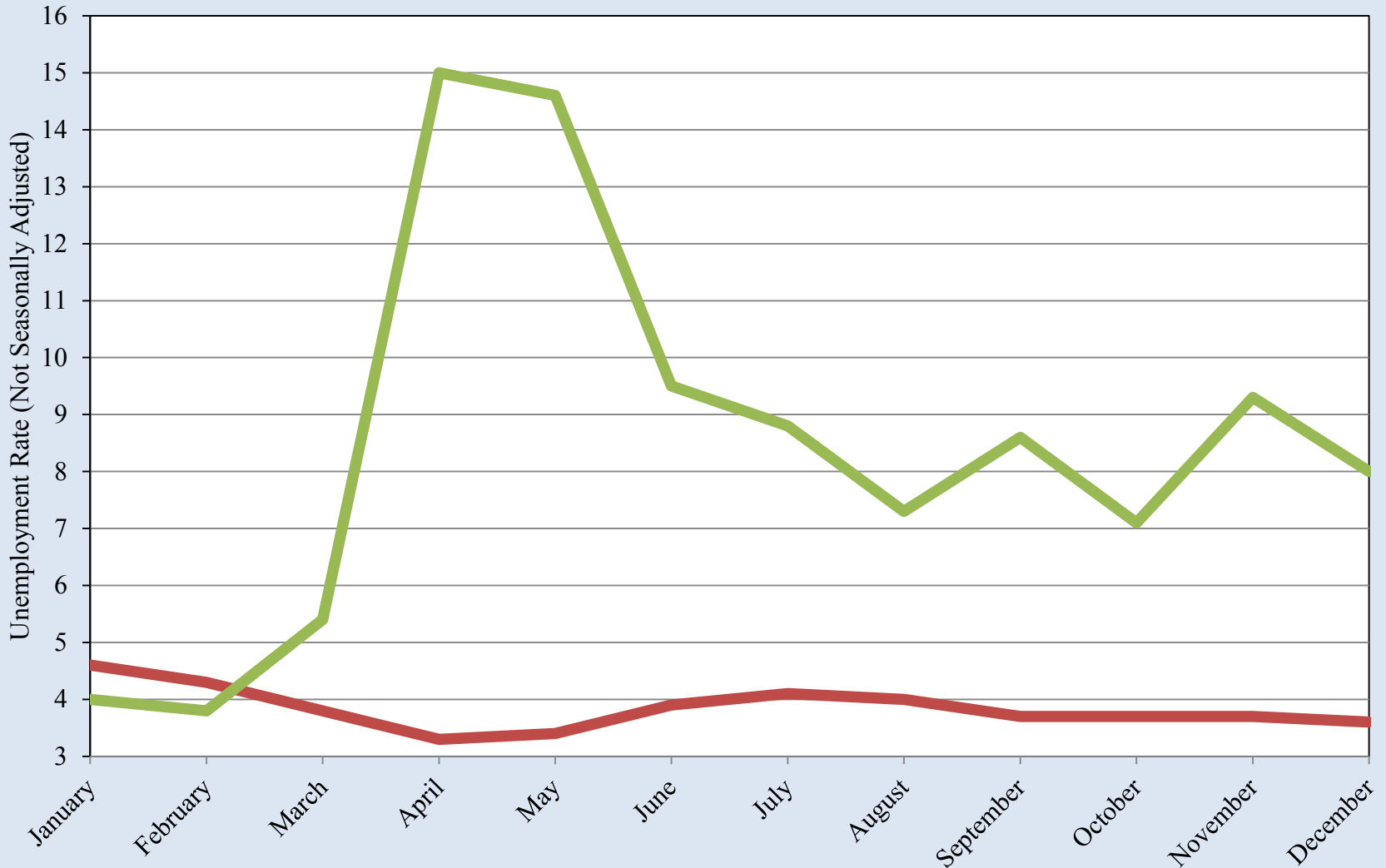
El Paso Household Economic Stress Index



Source: UTEP Border Region Modeling Project

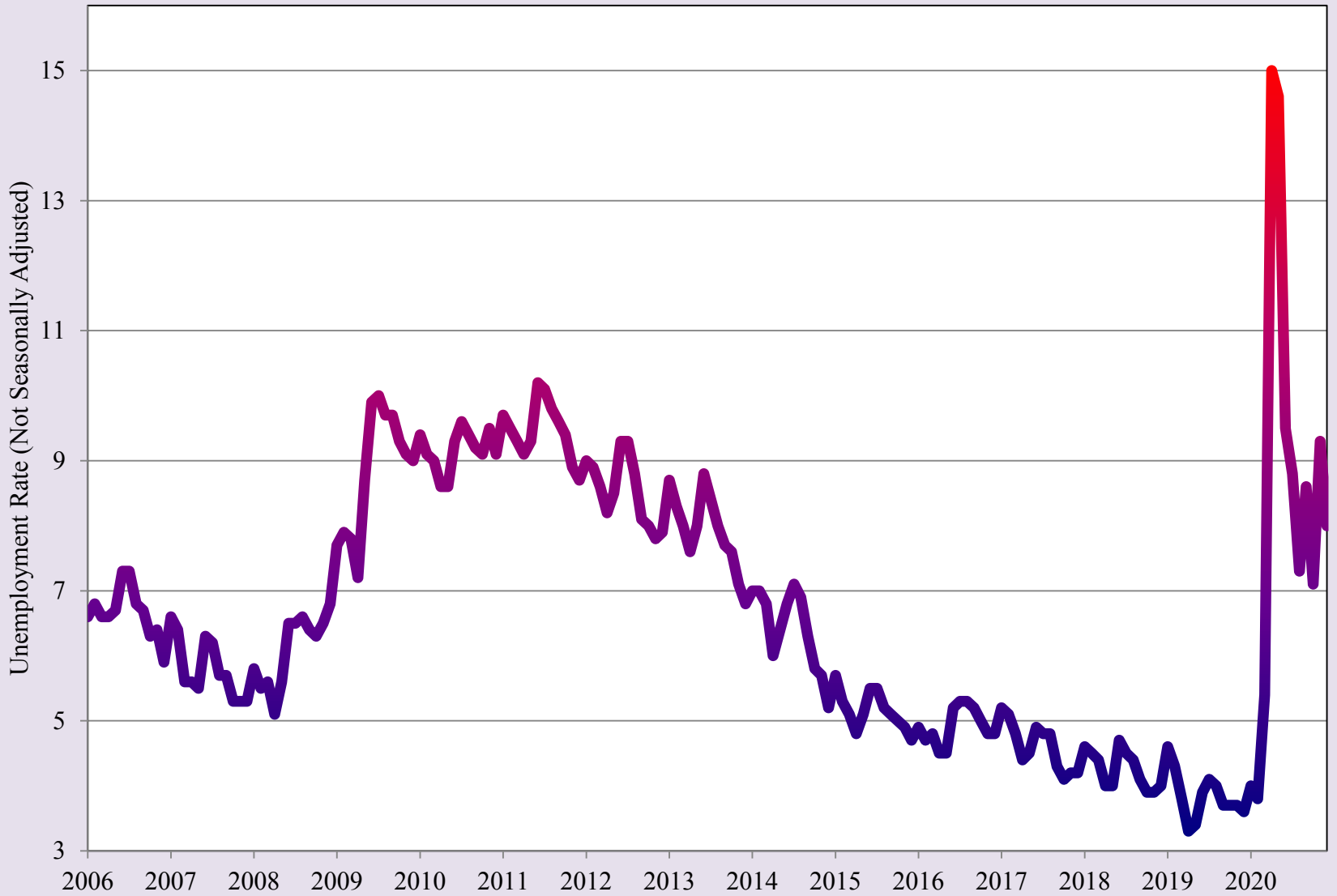
El Paso County Unemployment Rate

2019 2020



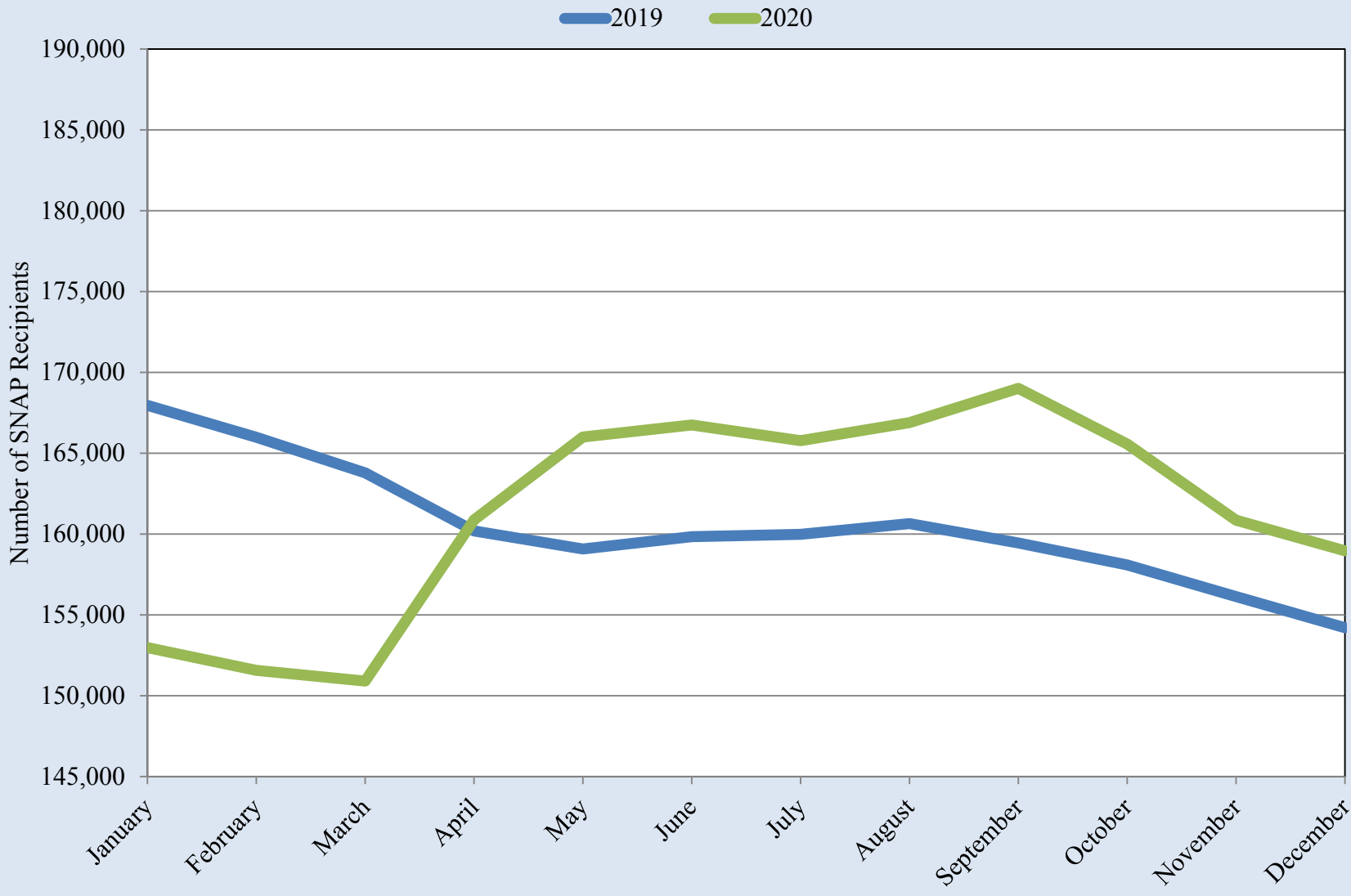
Source: Bureau of Labor Statistics

El Paso County Unemployment Rate



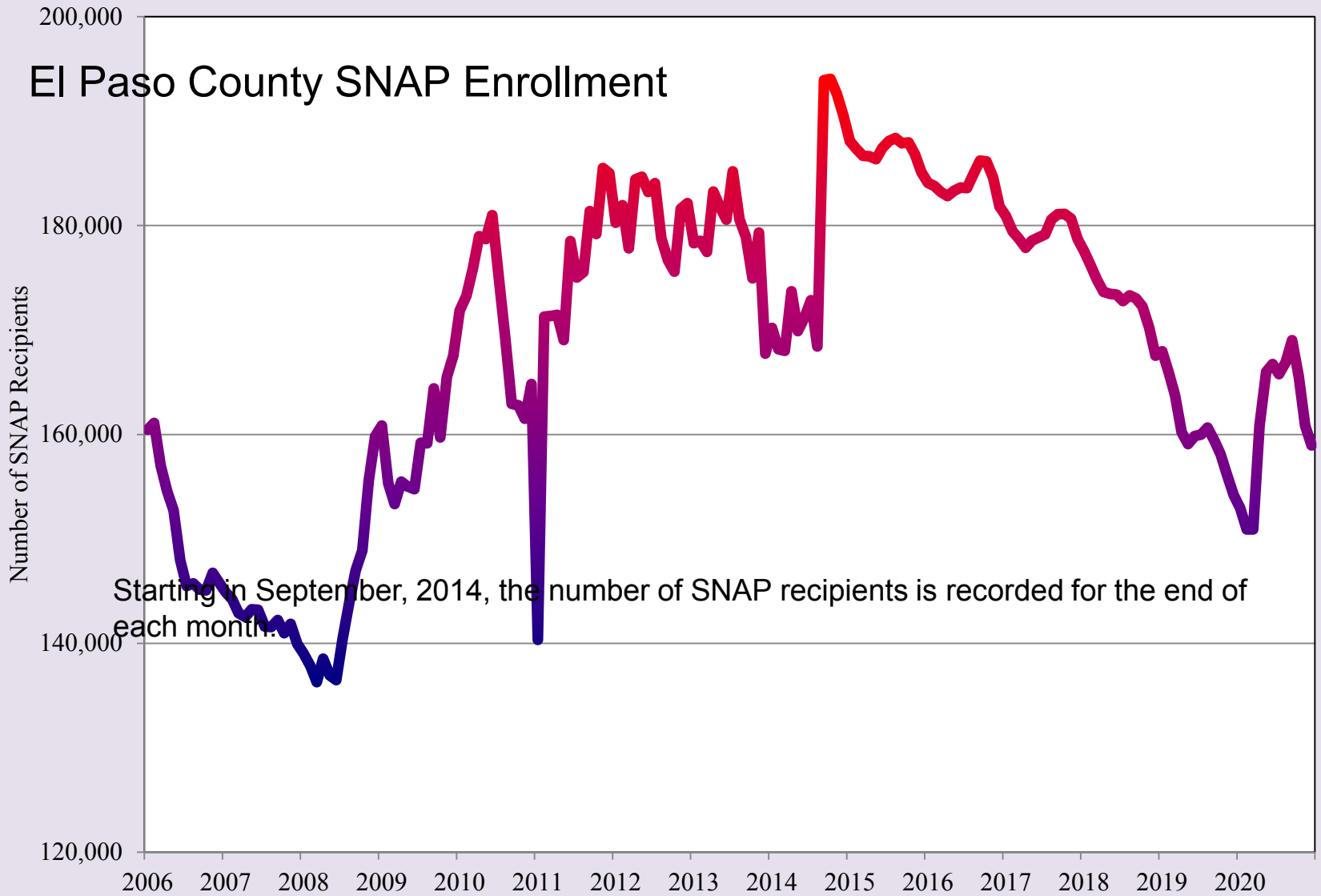
Source: Bureau of Labor Statistics

El Paso County SNAP (Food Stamp) Enrollment



Source: Texas Health and Human Services Commission

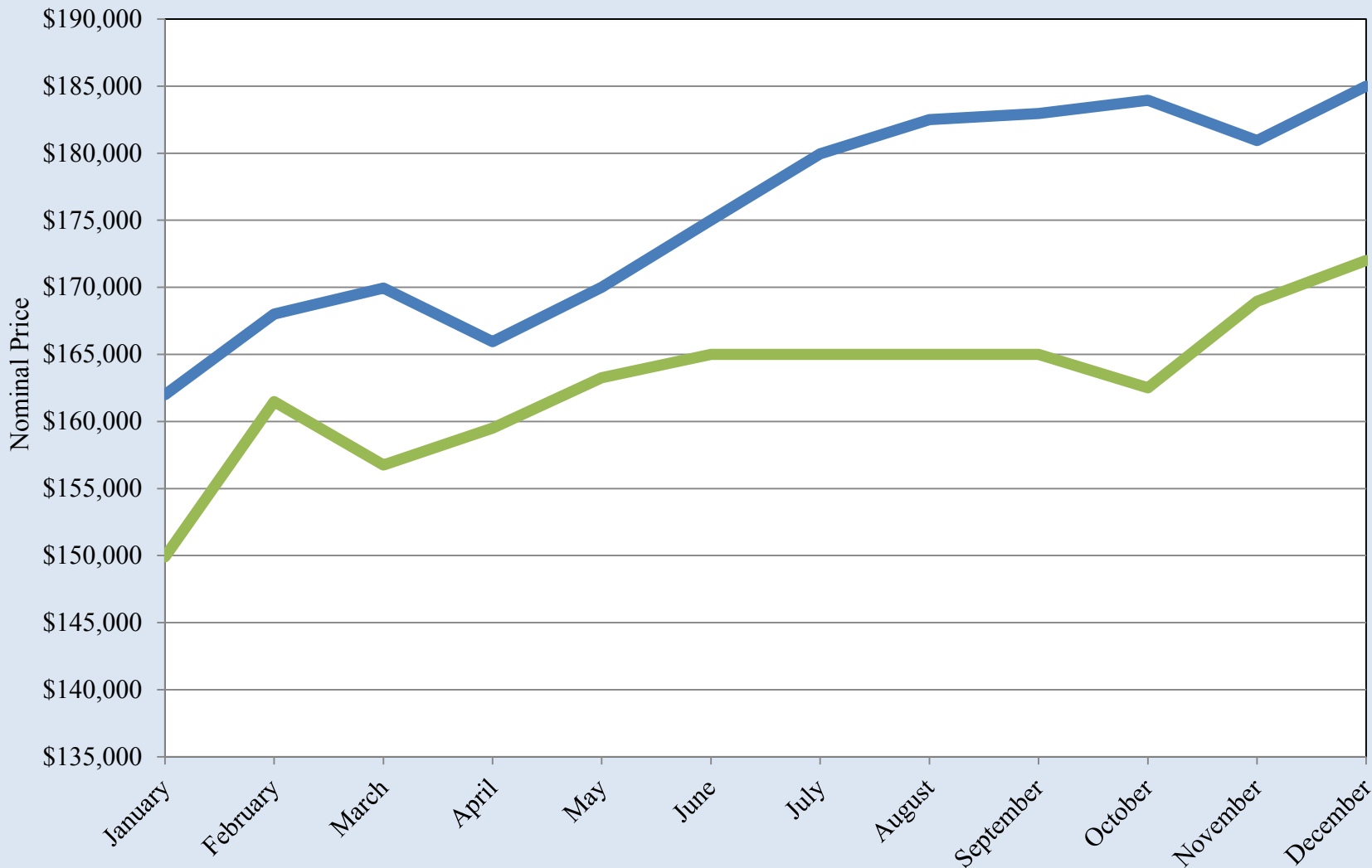
El Paso County SNAP (Food Stamp) Enrollment



Source: Texas Health and Human Services Commission

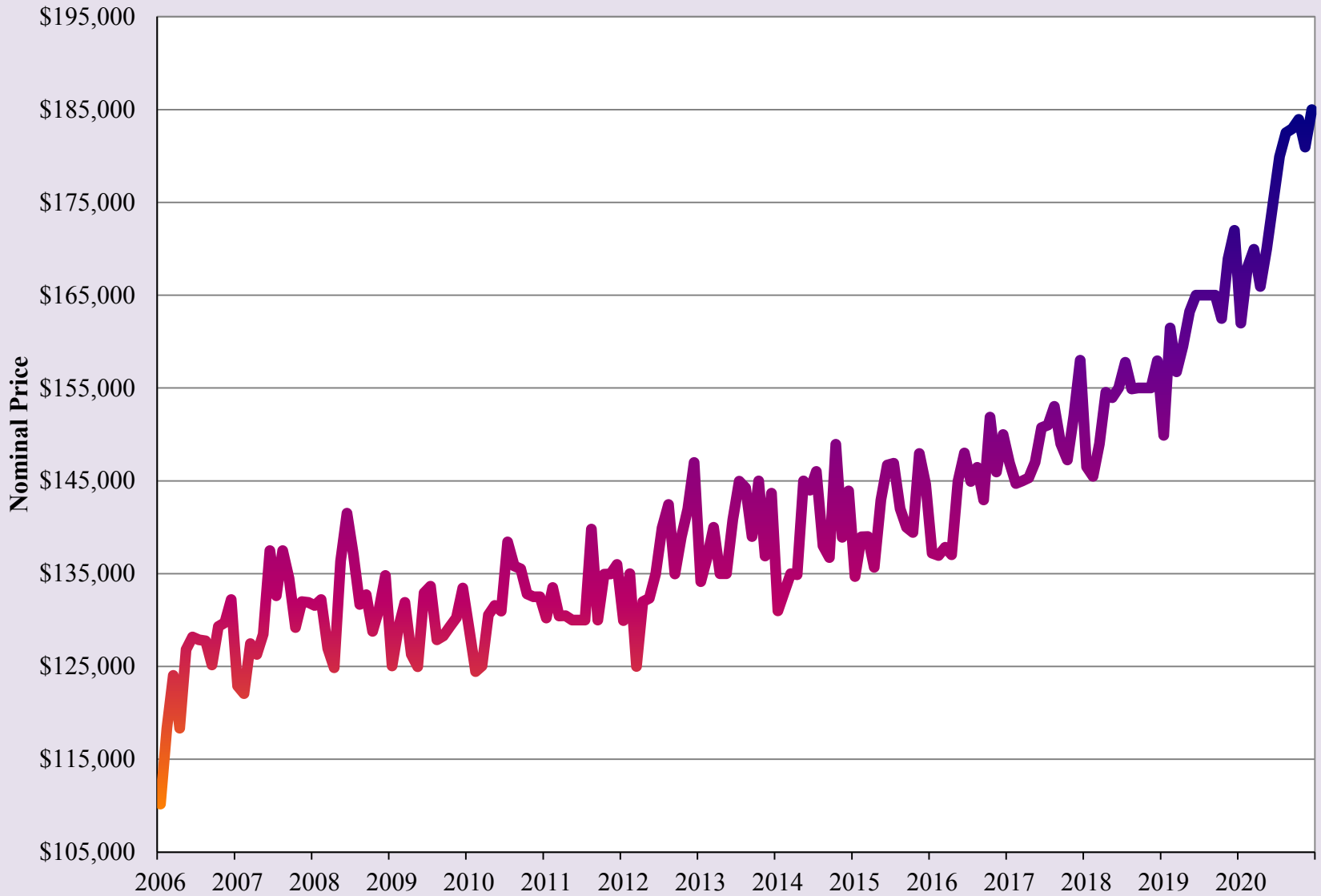
El Paso Median Housing Prices

2019 2020



Source: Texas A&M Real Estate Center

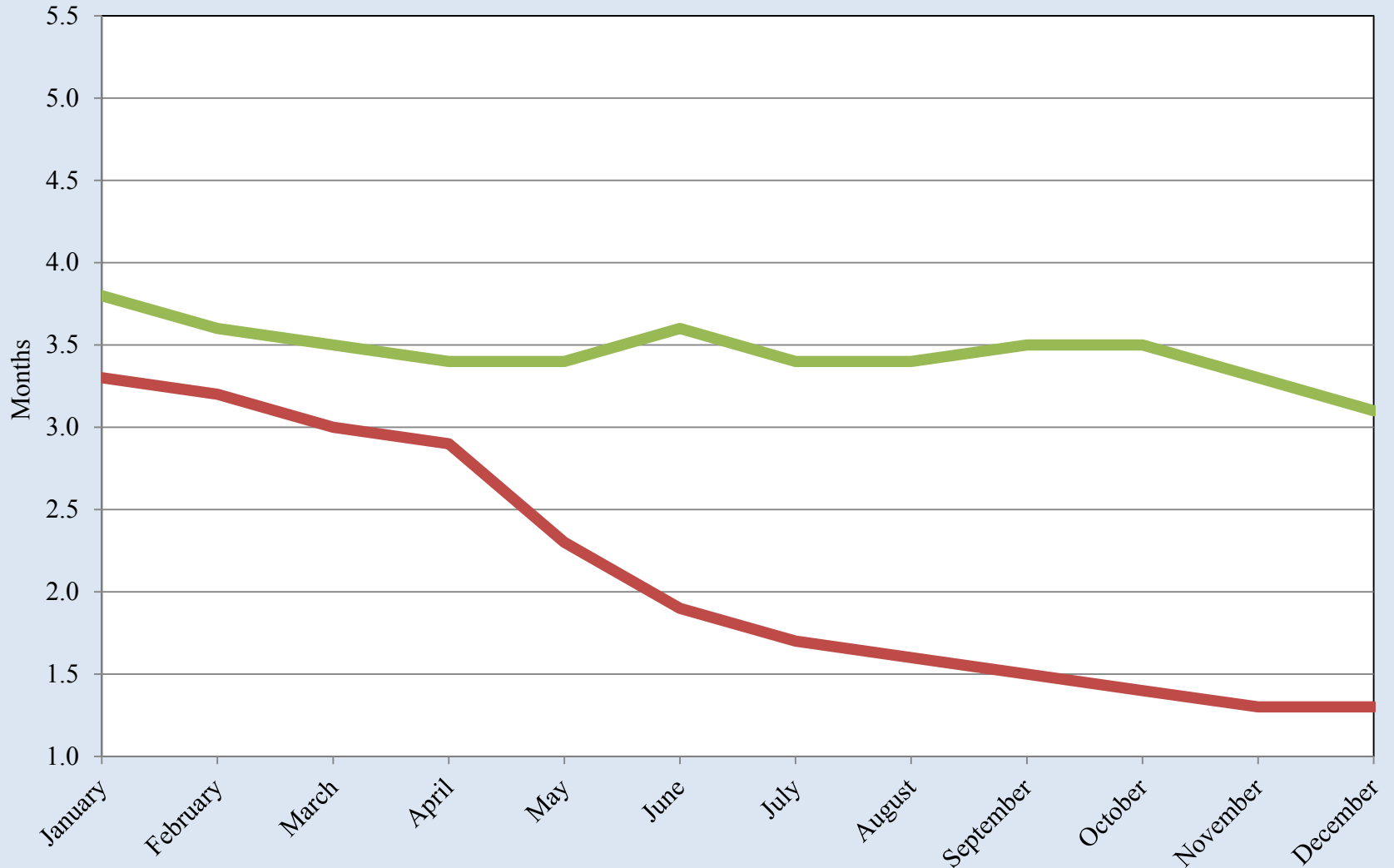
El Paso Median Housing Prices



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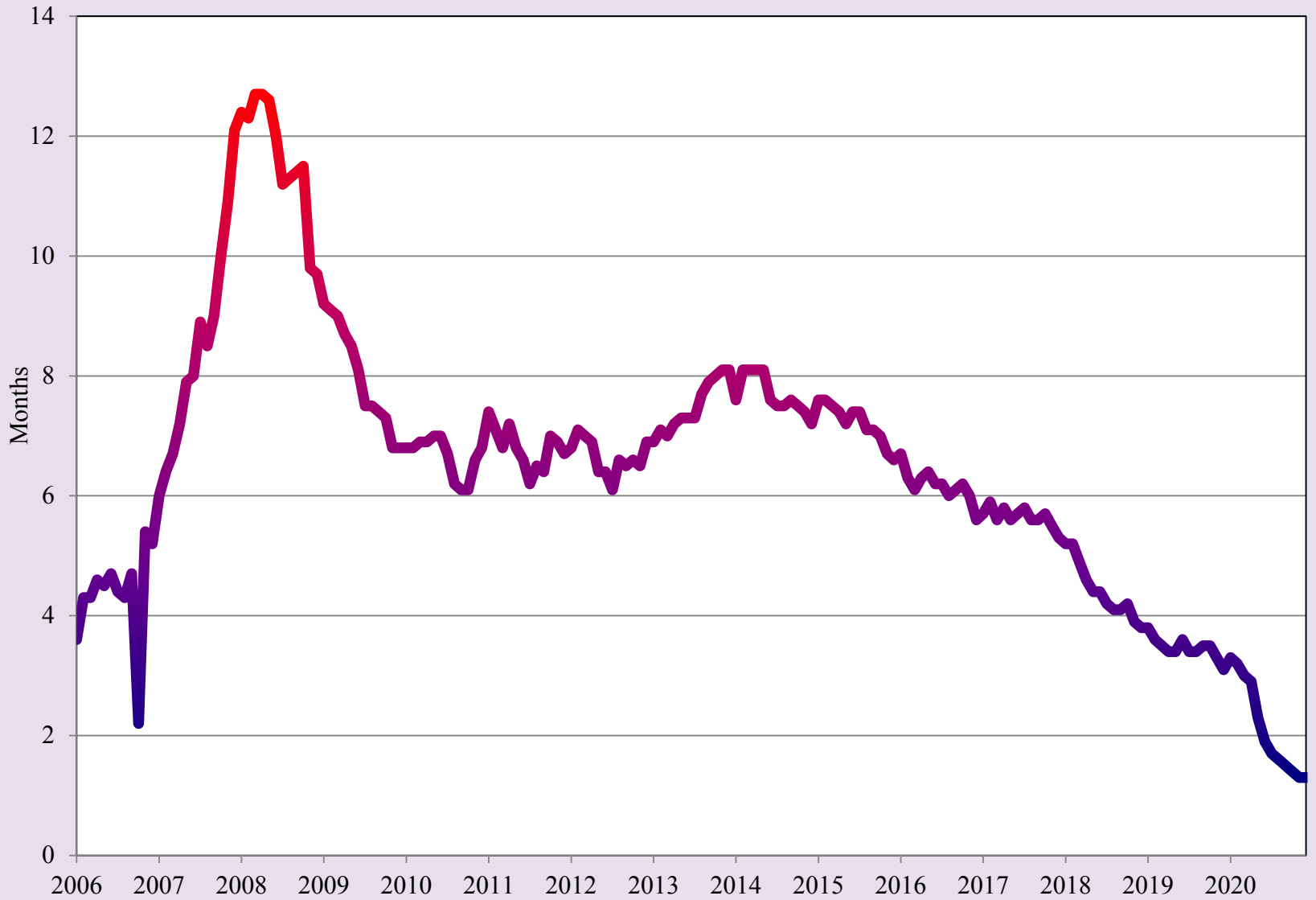
Months of Housing Inventory for El Paso

2019 2020



Source: Texas A&M Real Estate Center

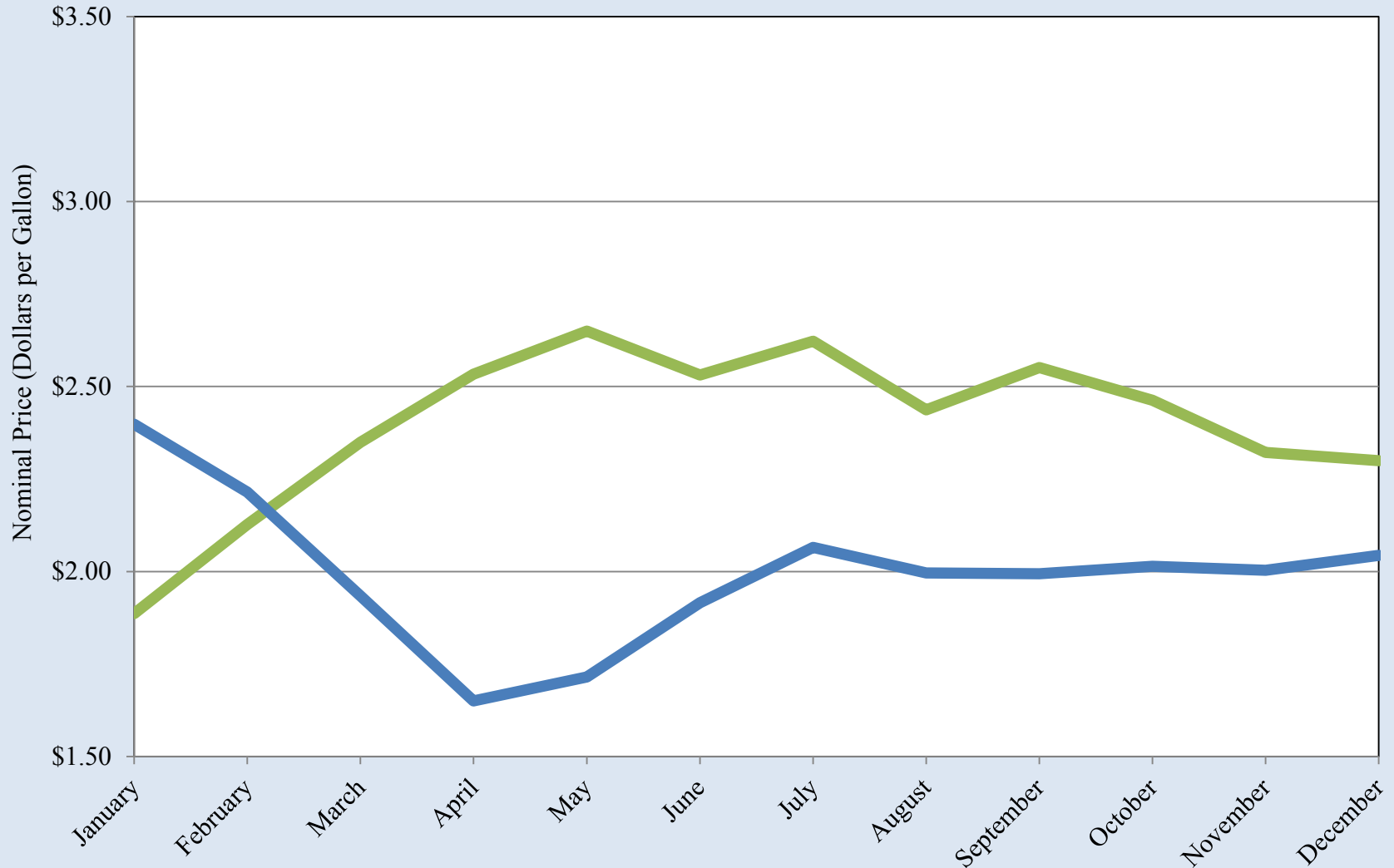
Months of Housing Inventory for El Paso



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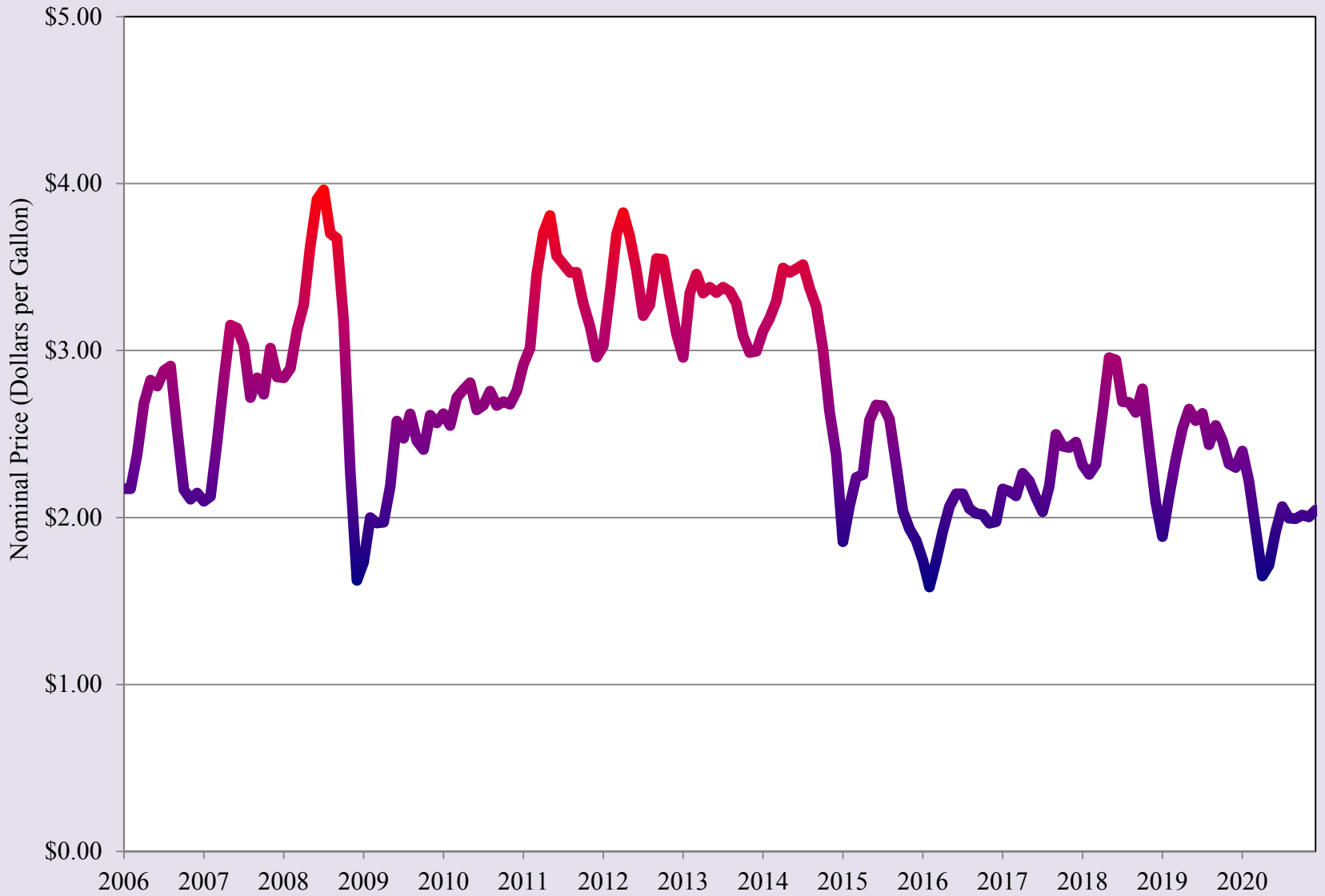
El Paso Gasoline Prices

2019 2020



Source: GasBuddy.com

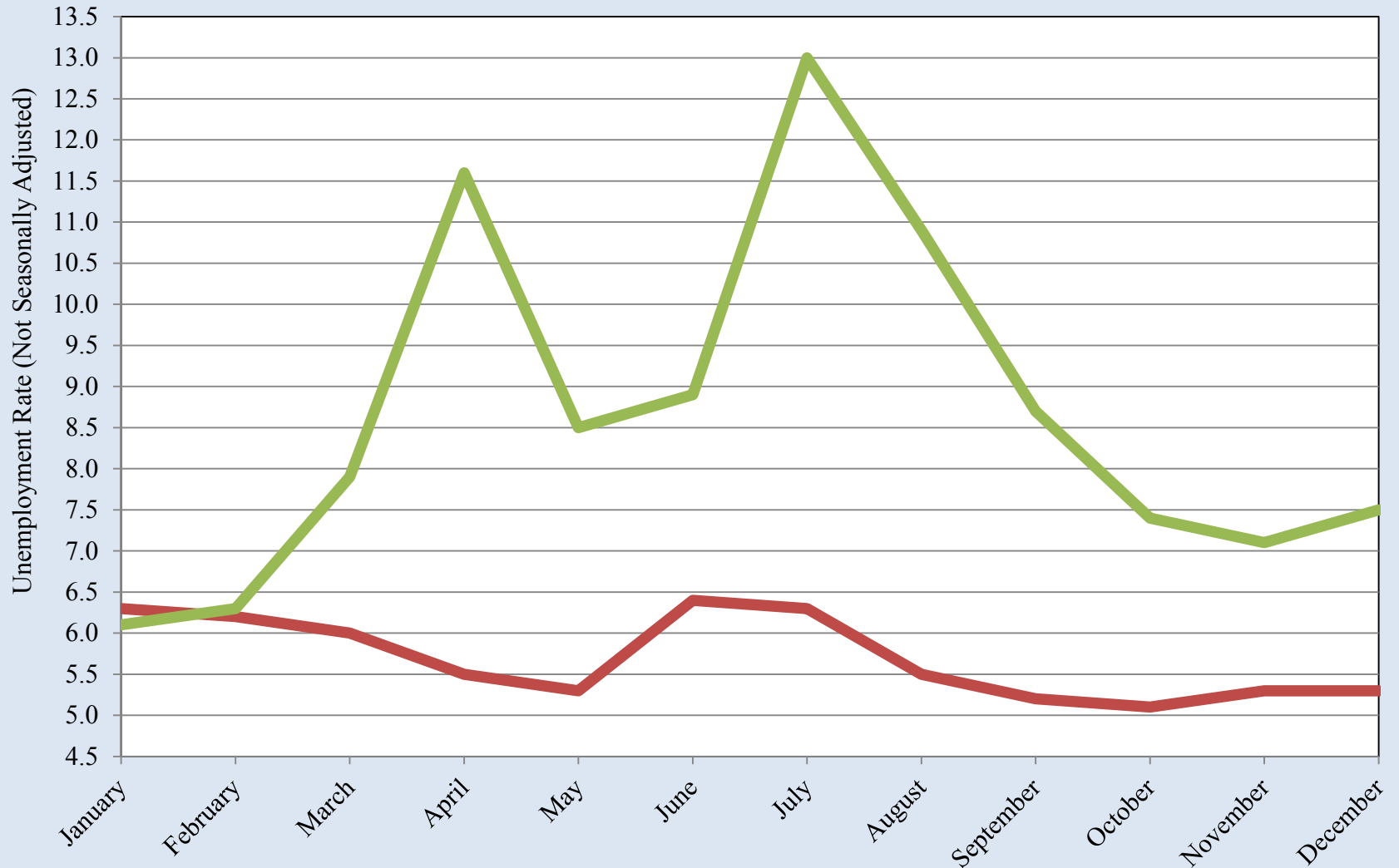
El Paso Gasoline Prices



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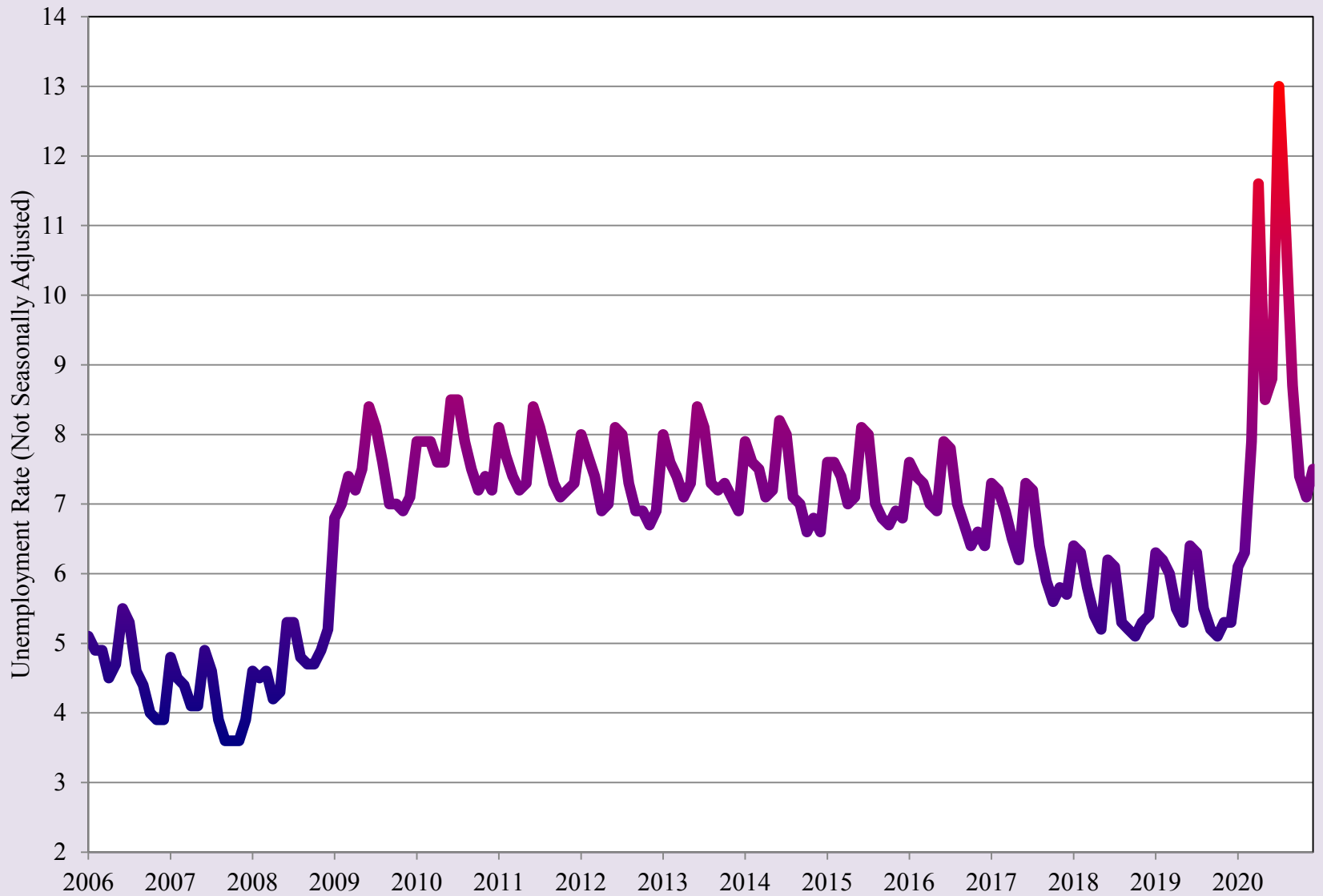
Doña Ana County Unemployment Rate

2019 2020



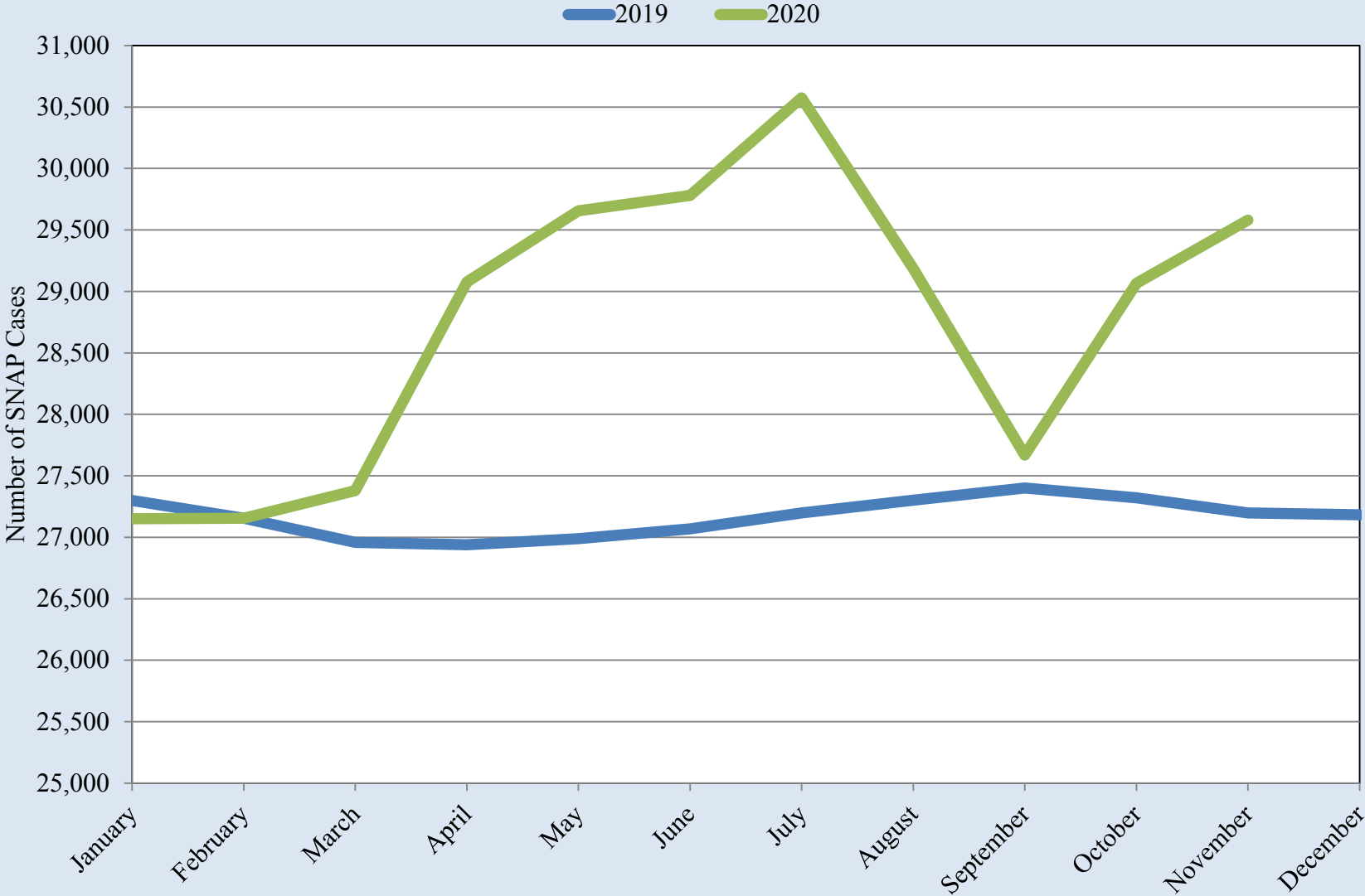
Source: Bureau of Labor Statistics

Doña Ana County Unemployment Rate



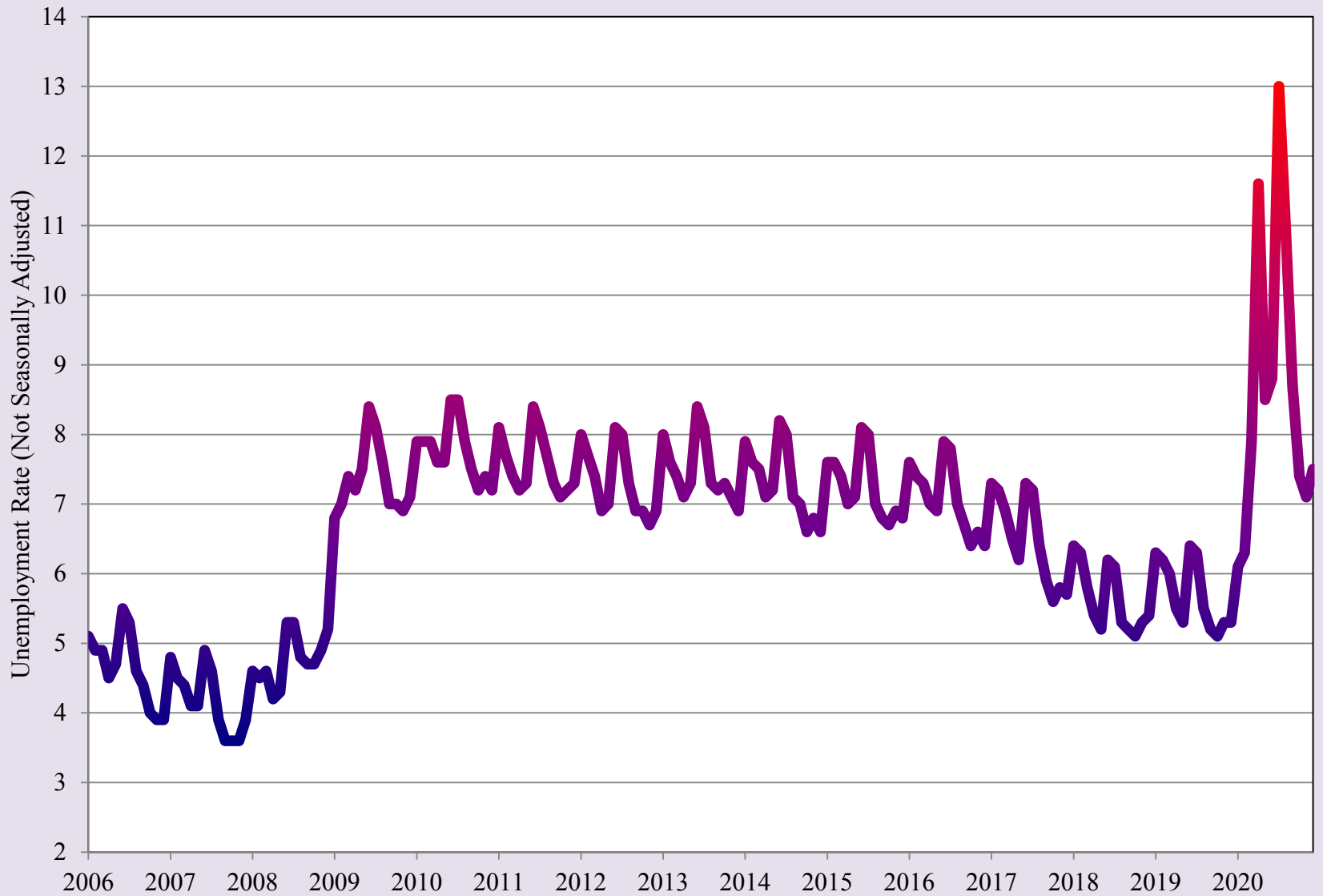
Source: Bureau of Labor Statistics

Las Cruces Area SNAP (Food Stamp) Cases



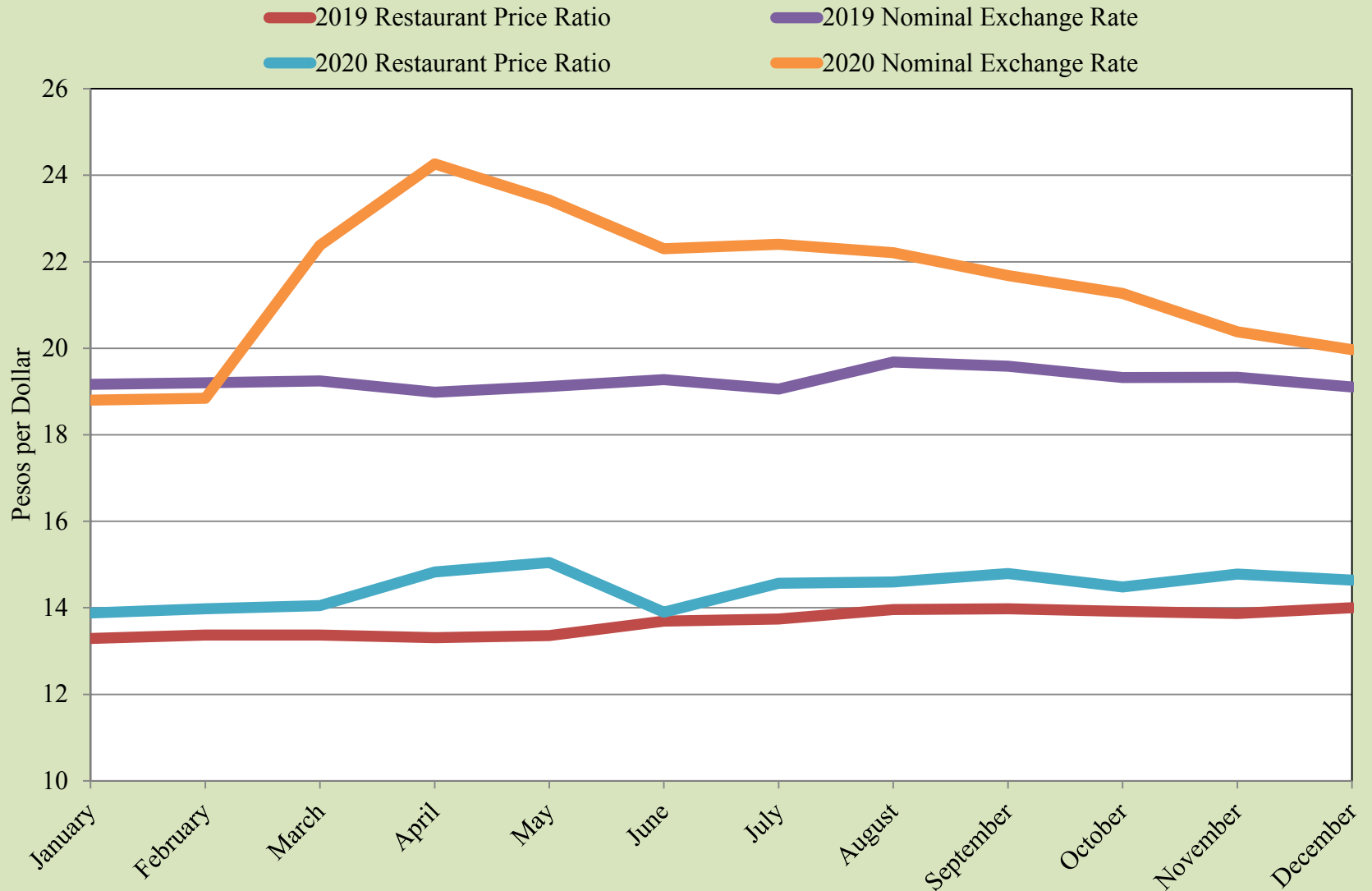
Source: New Mexico Human Services Department

Doña Ana County Unemployment Rate



Source: New Mexico Human Services Department

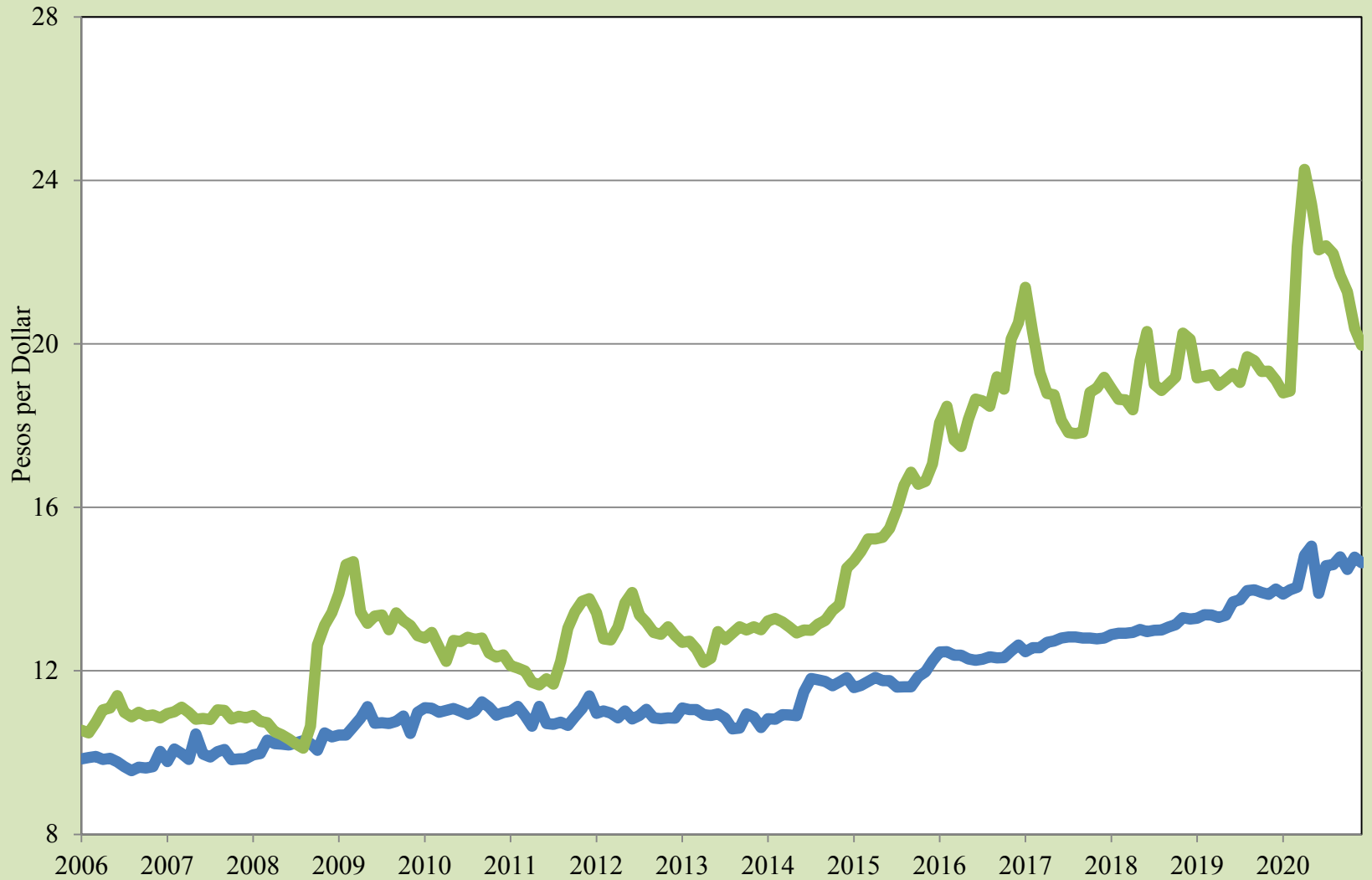
Restaurant Price Ratio and Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

Restaurant Price Ratio and Exchange Rate

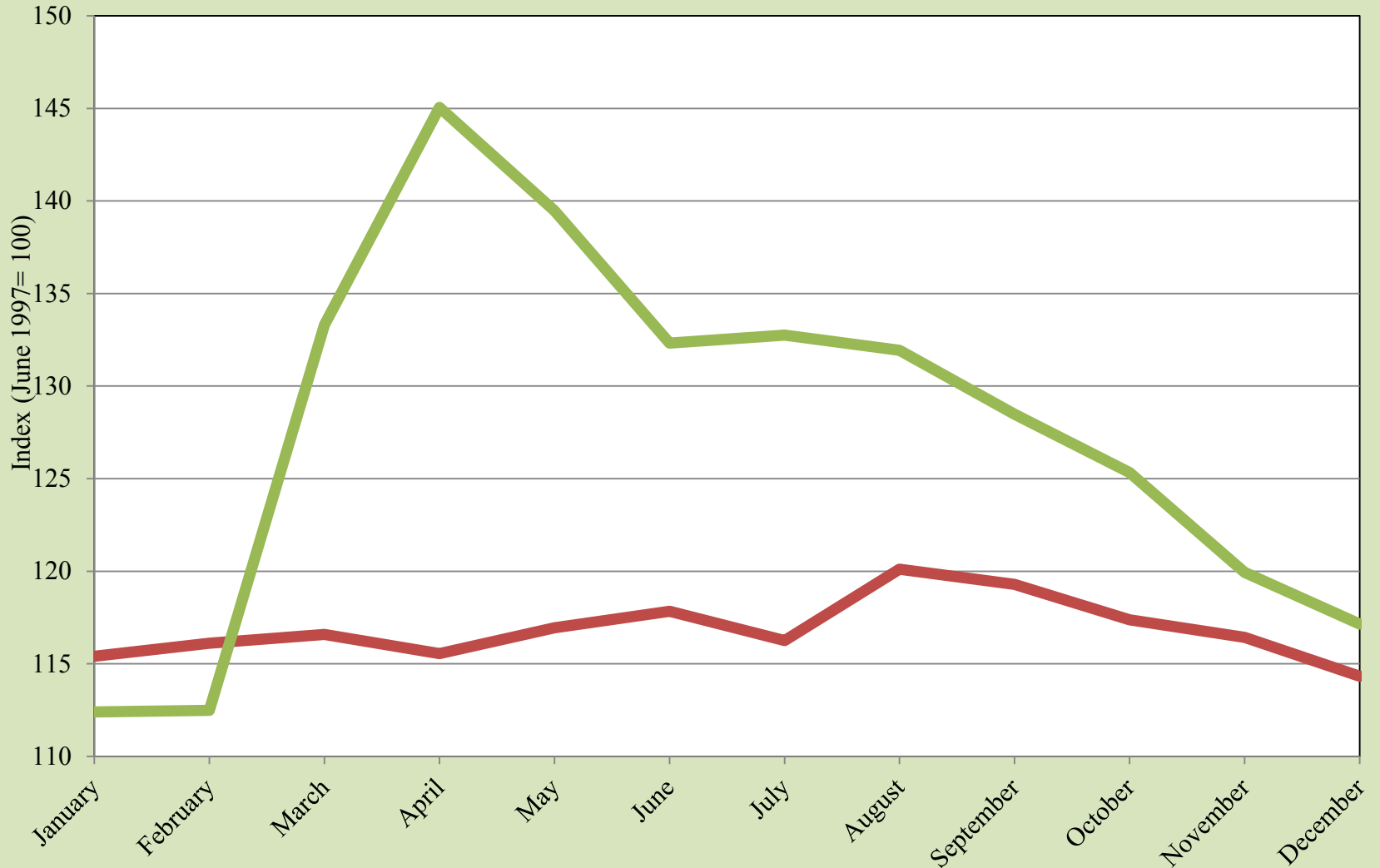
Price Ratio Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

Real Peso-per-Dollar Exchange Rate Index

2019 2020



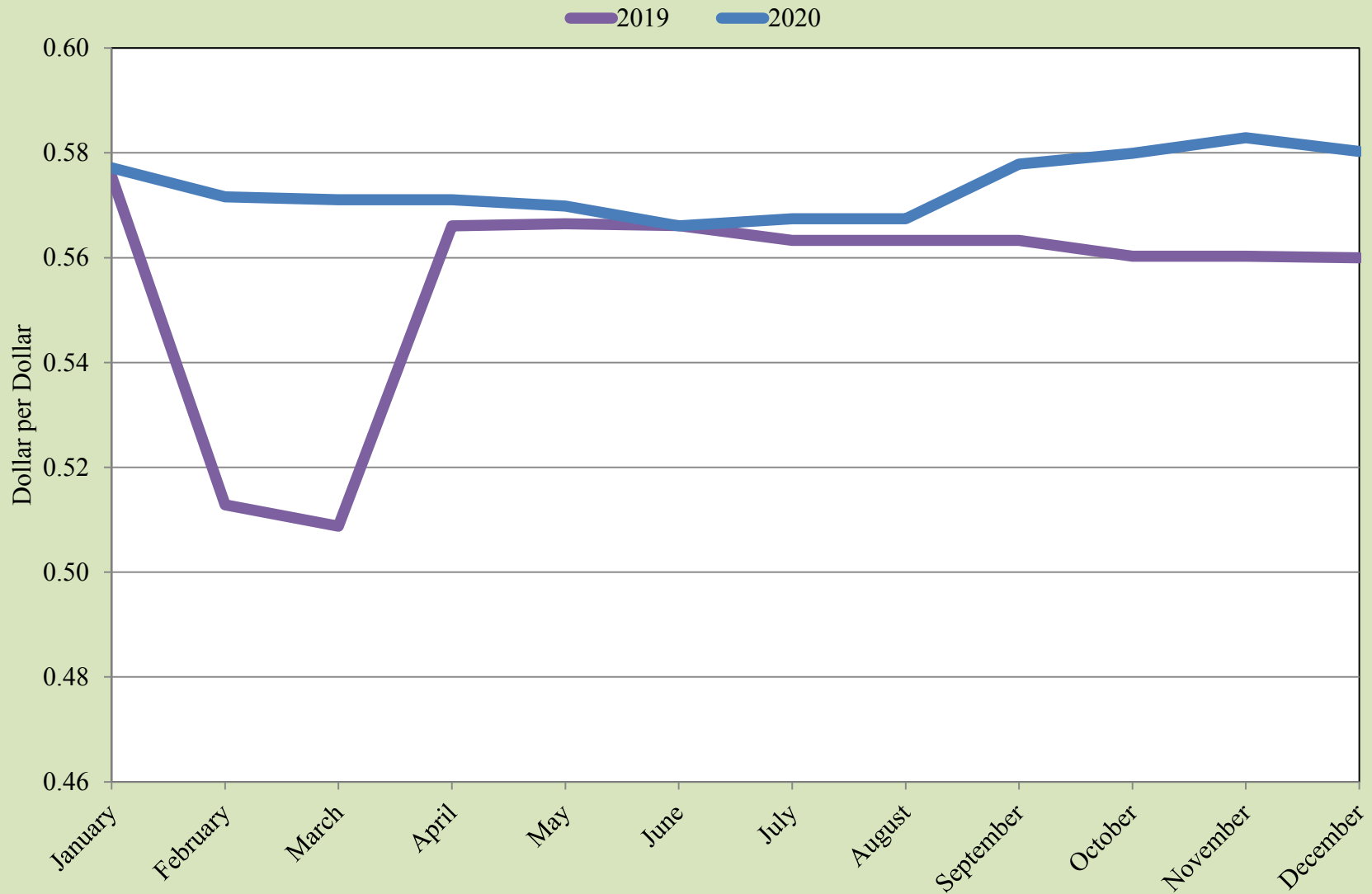
Source: UTEP Border Region Modeling Project

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, medicinesmexico.com, medsmex.com

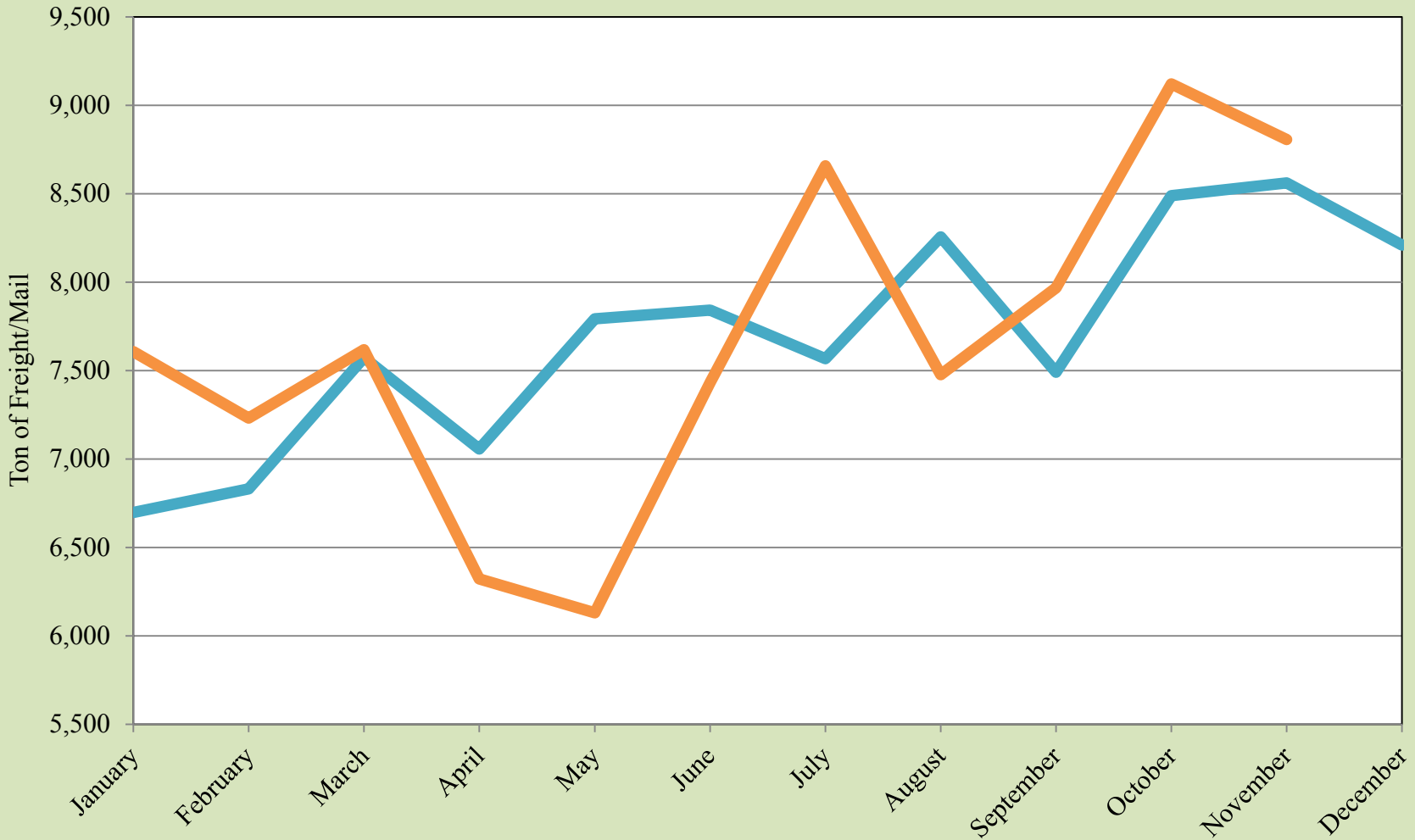
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EPIA Freight and Mail

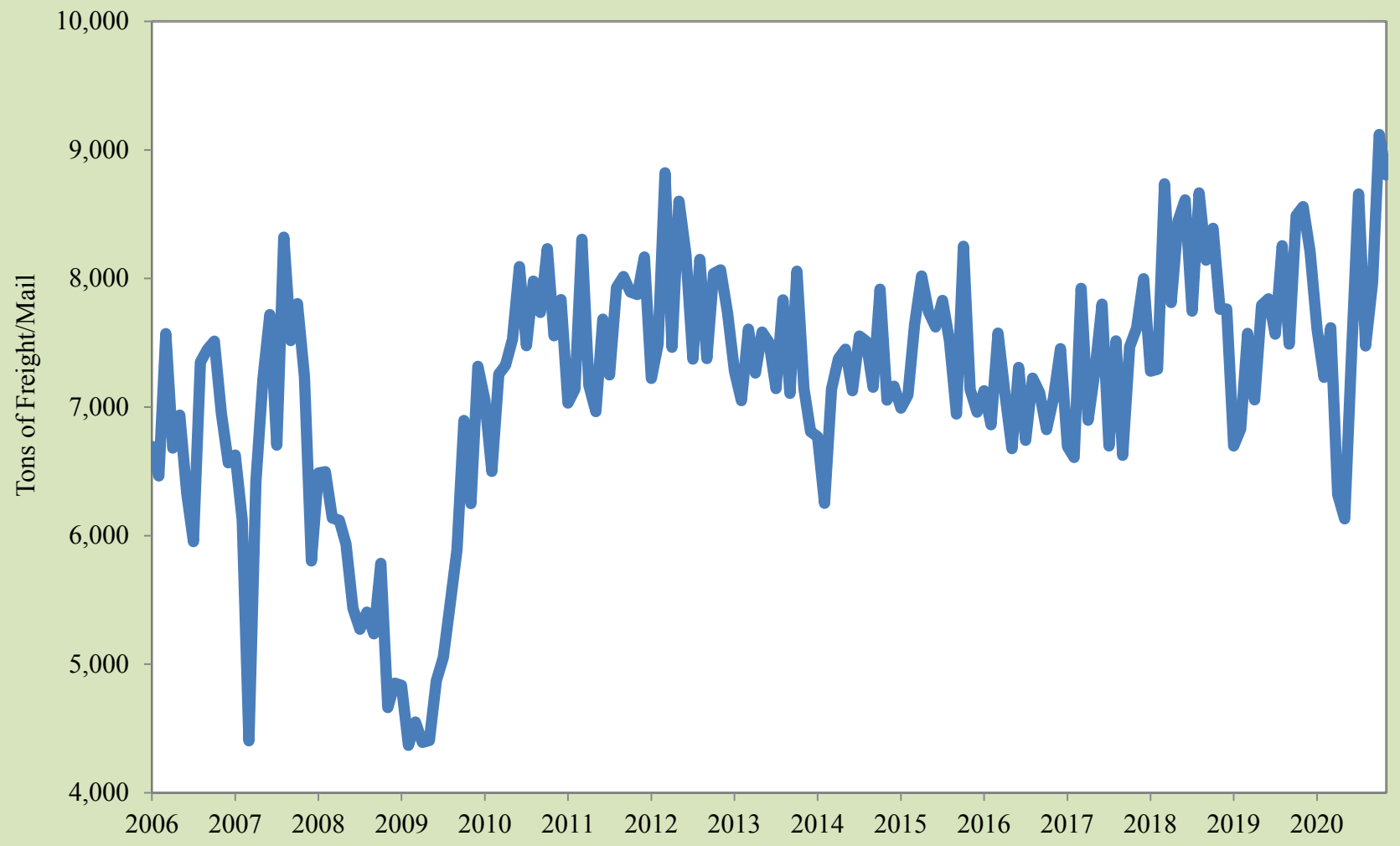
Total 2019 Total 2020



Source: EPIA Operations

EPIA Freight and Mail

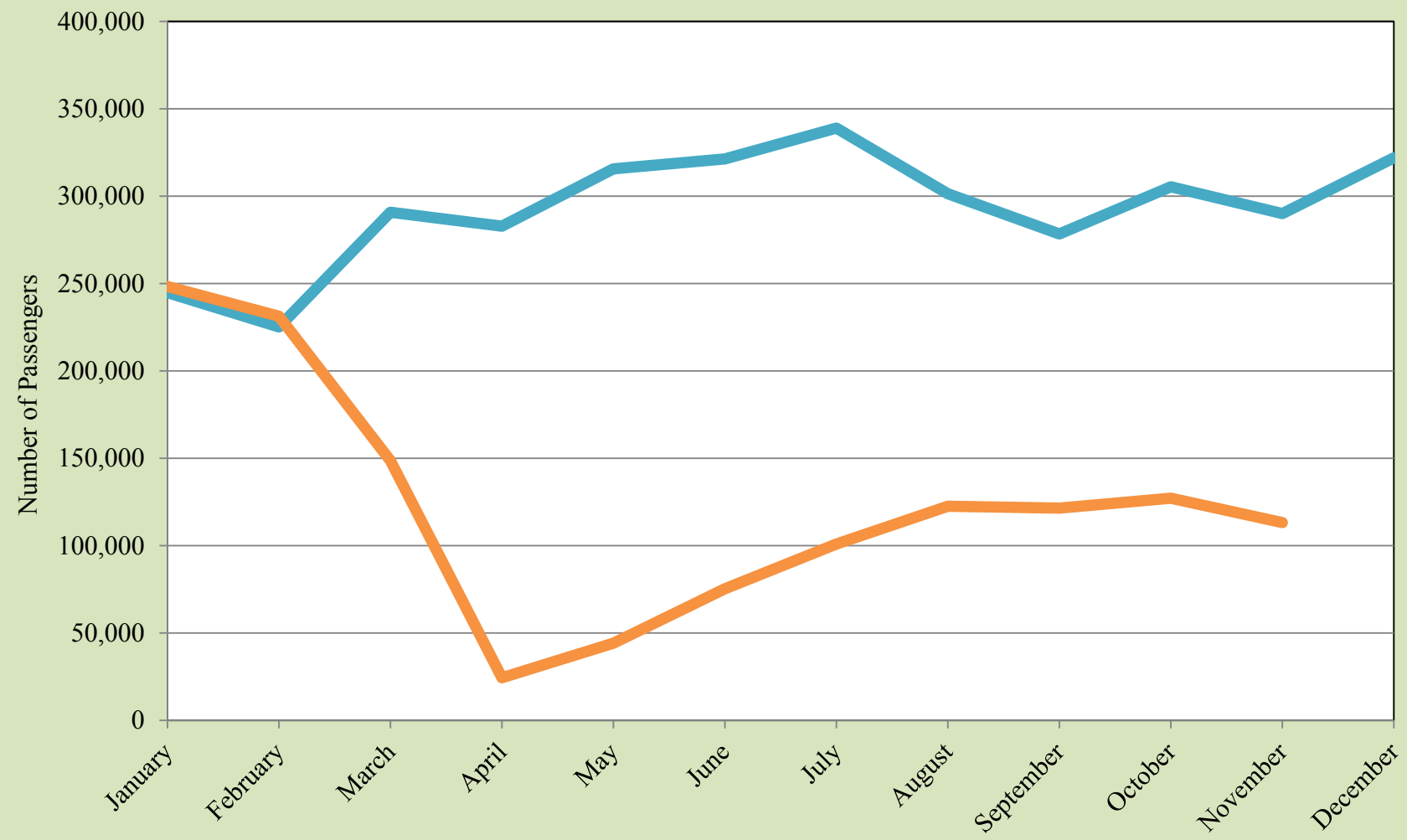
— Inbound+Outbound



Source: EPIA Operations

EPIA Passengers

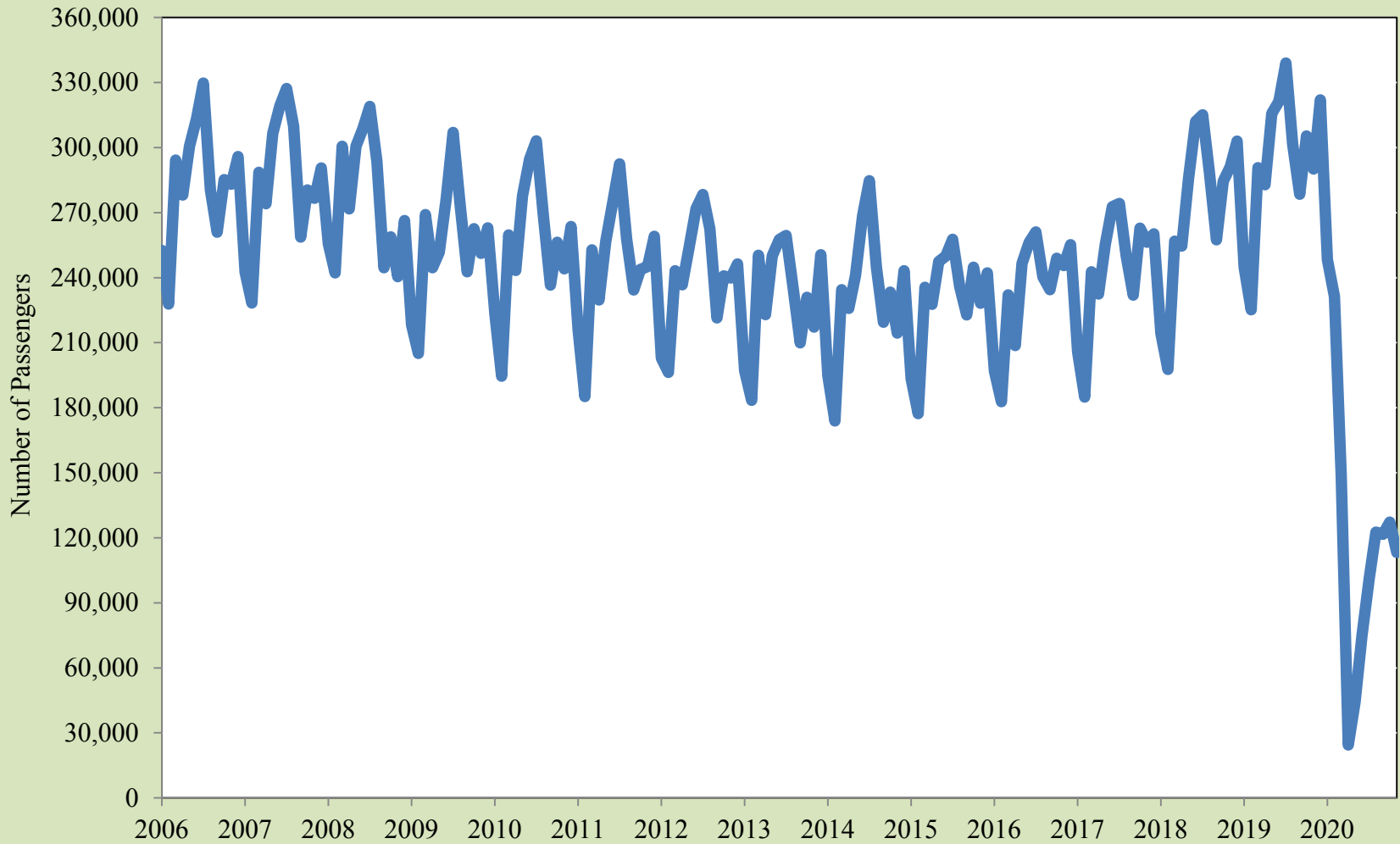
EPIA 2019 EPIA 2020



Source: EPIA Operations

EPIA Passengers

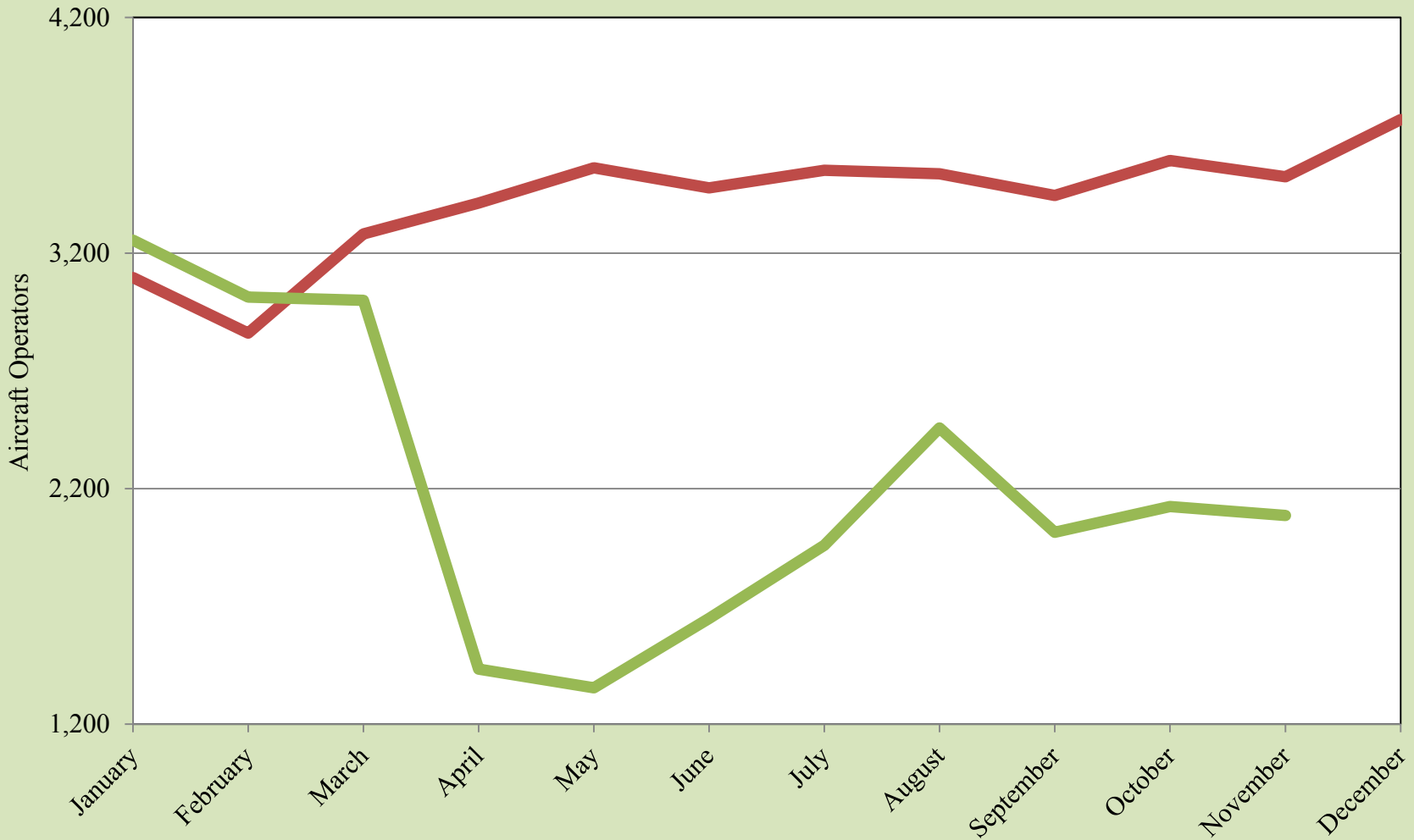
— Inbound+Outbound



Source: EPIA Operations

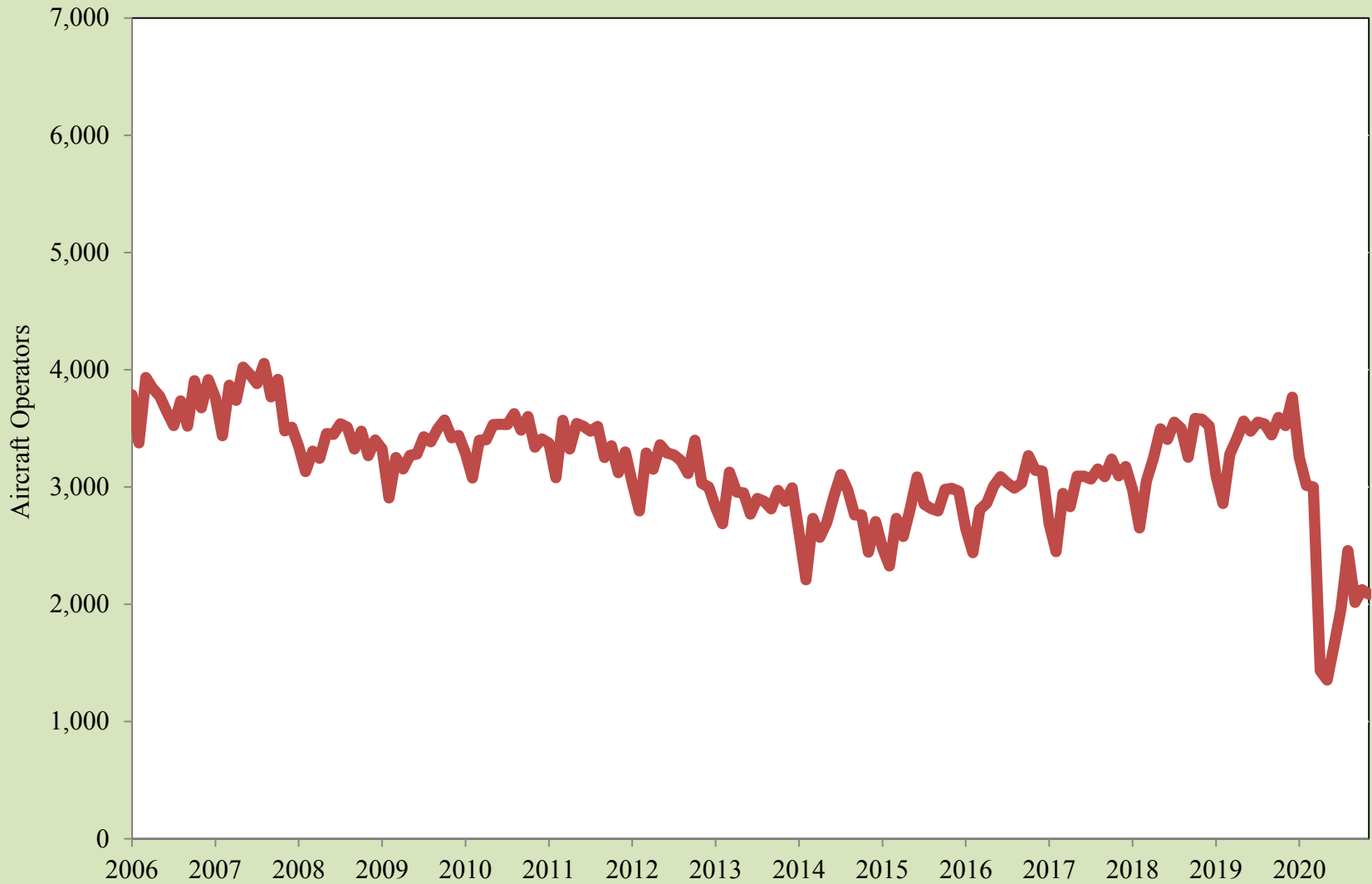
EPIA Air Carrier Operations

Air Carrier Operations 2019 Air Carrier Operations 2020



Source: EPIA Operations

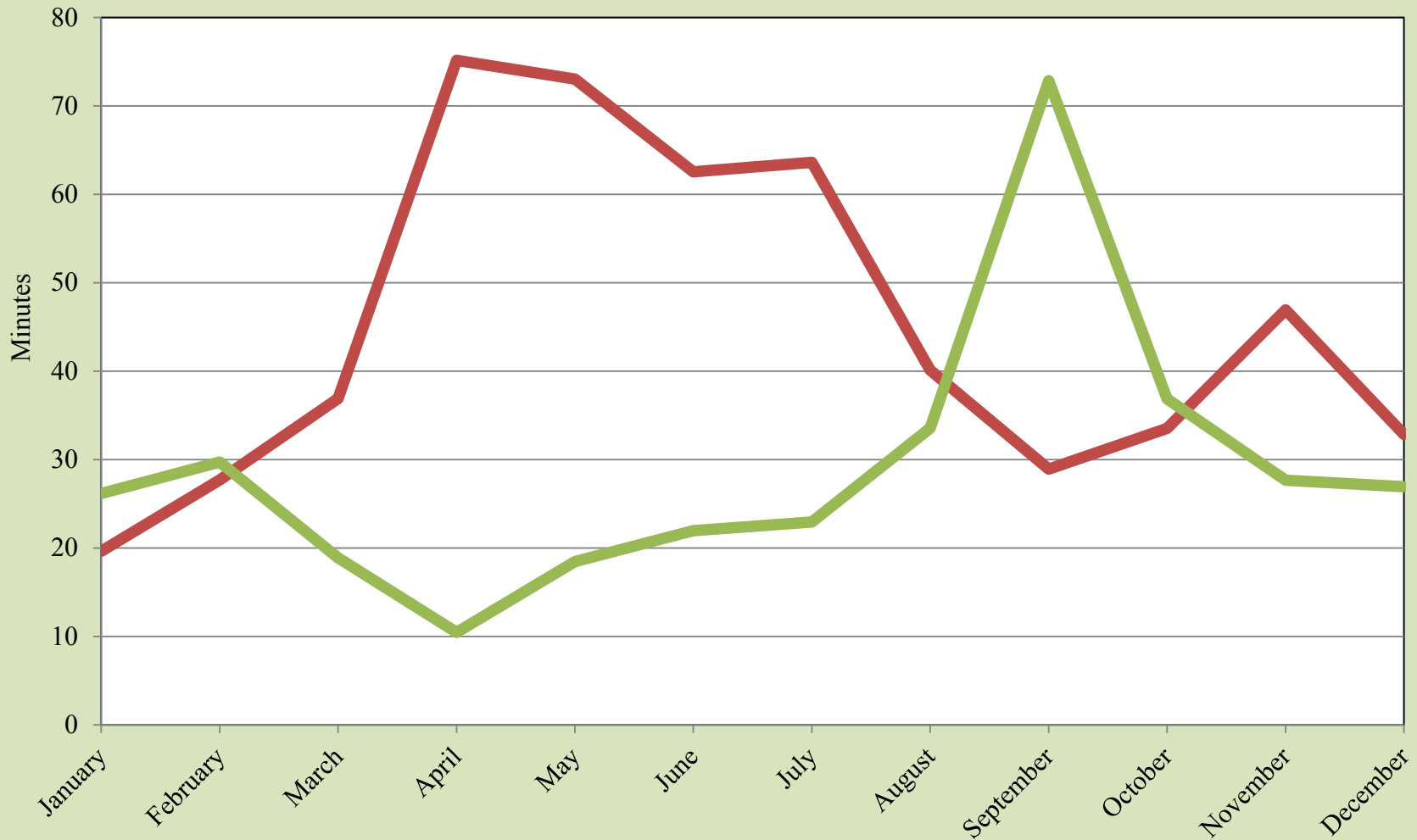
EPIA Air Carrier Operations



Source: EPIA Operations

Paso del Norte Monthly Wait Times

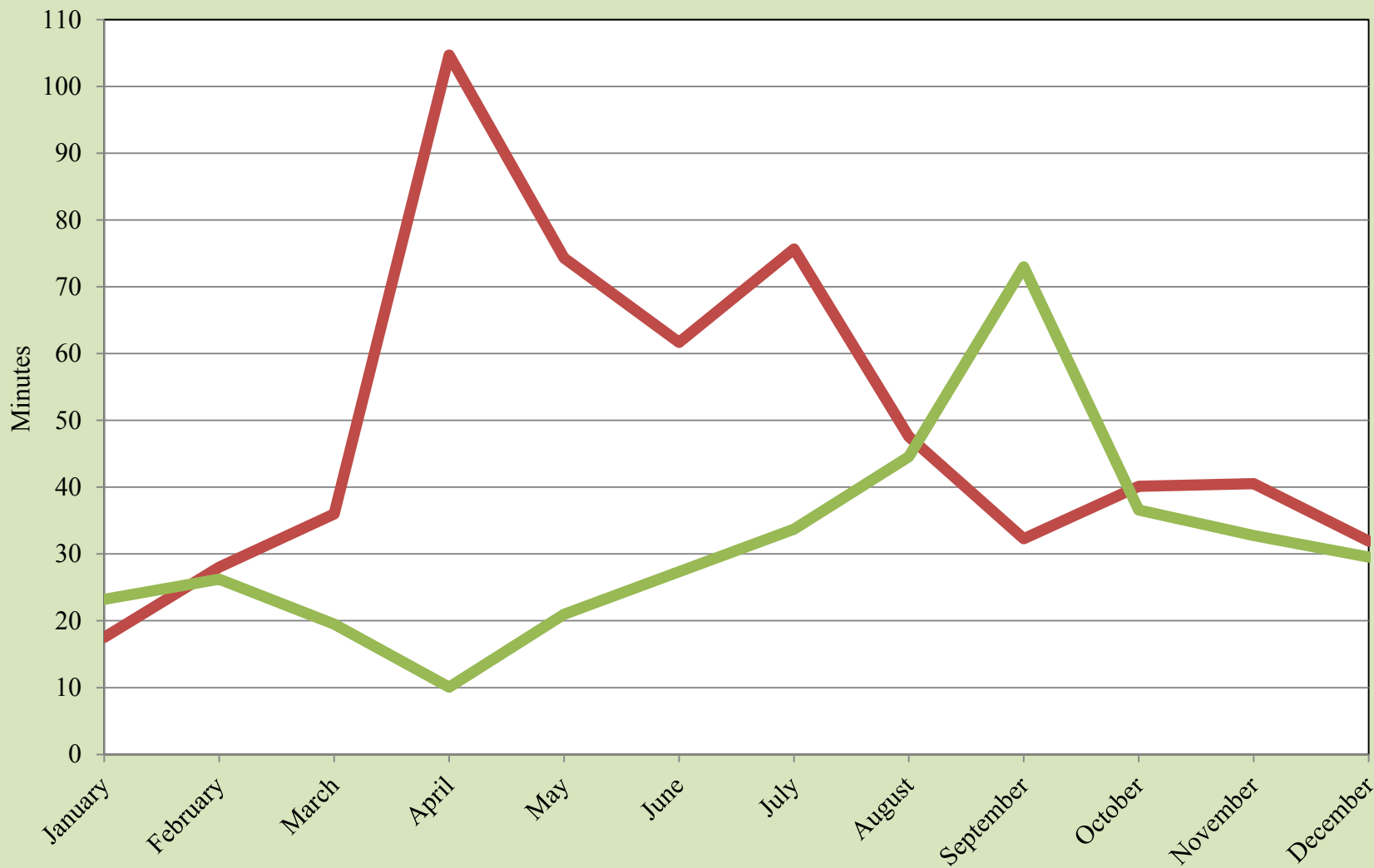
2019 2020



Source: UTEP Border Region Modeling Project

Ysleta Monthly Wait Times

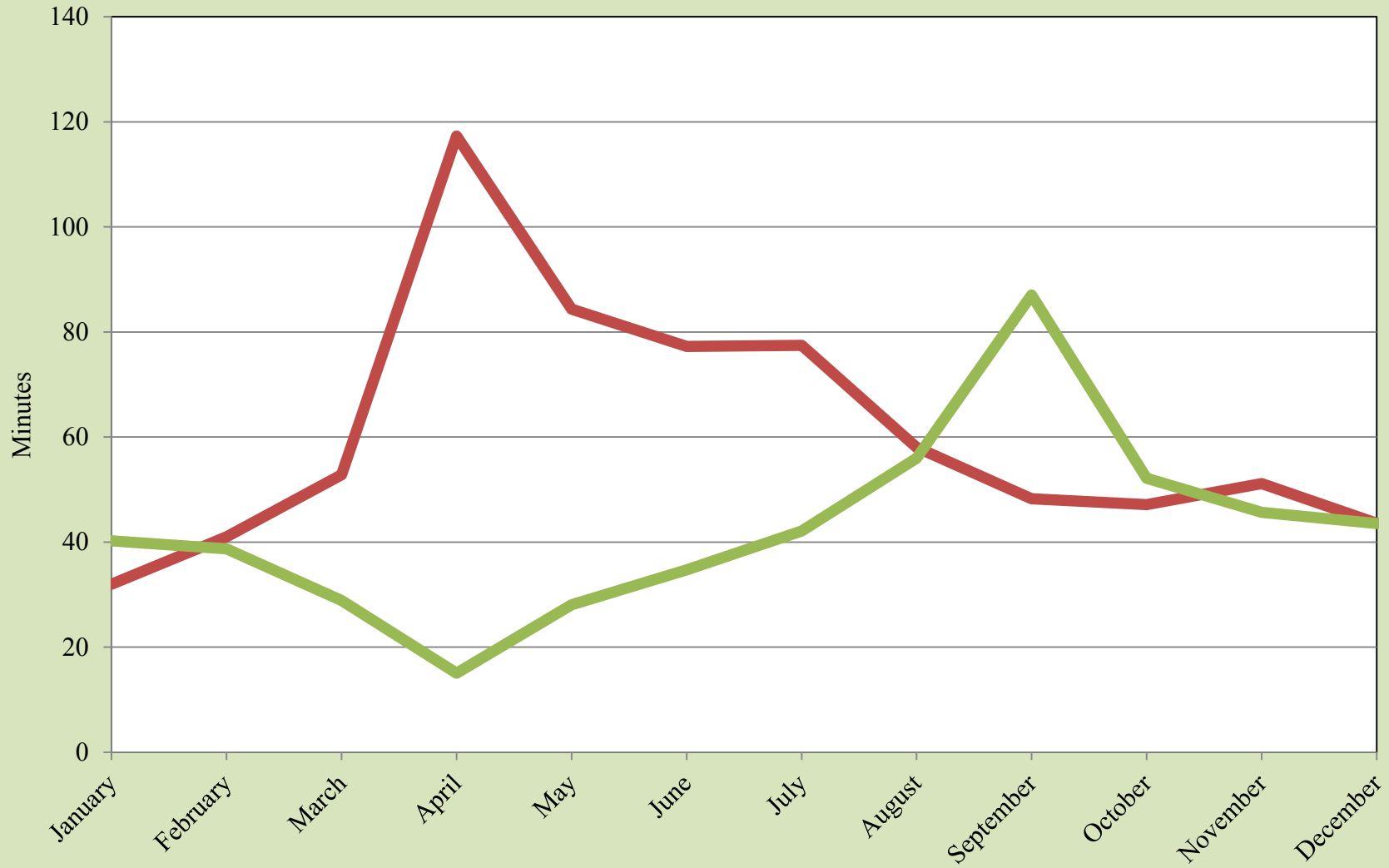
— 2019 — 2020



Source: UTEP Border Region Modeling Project

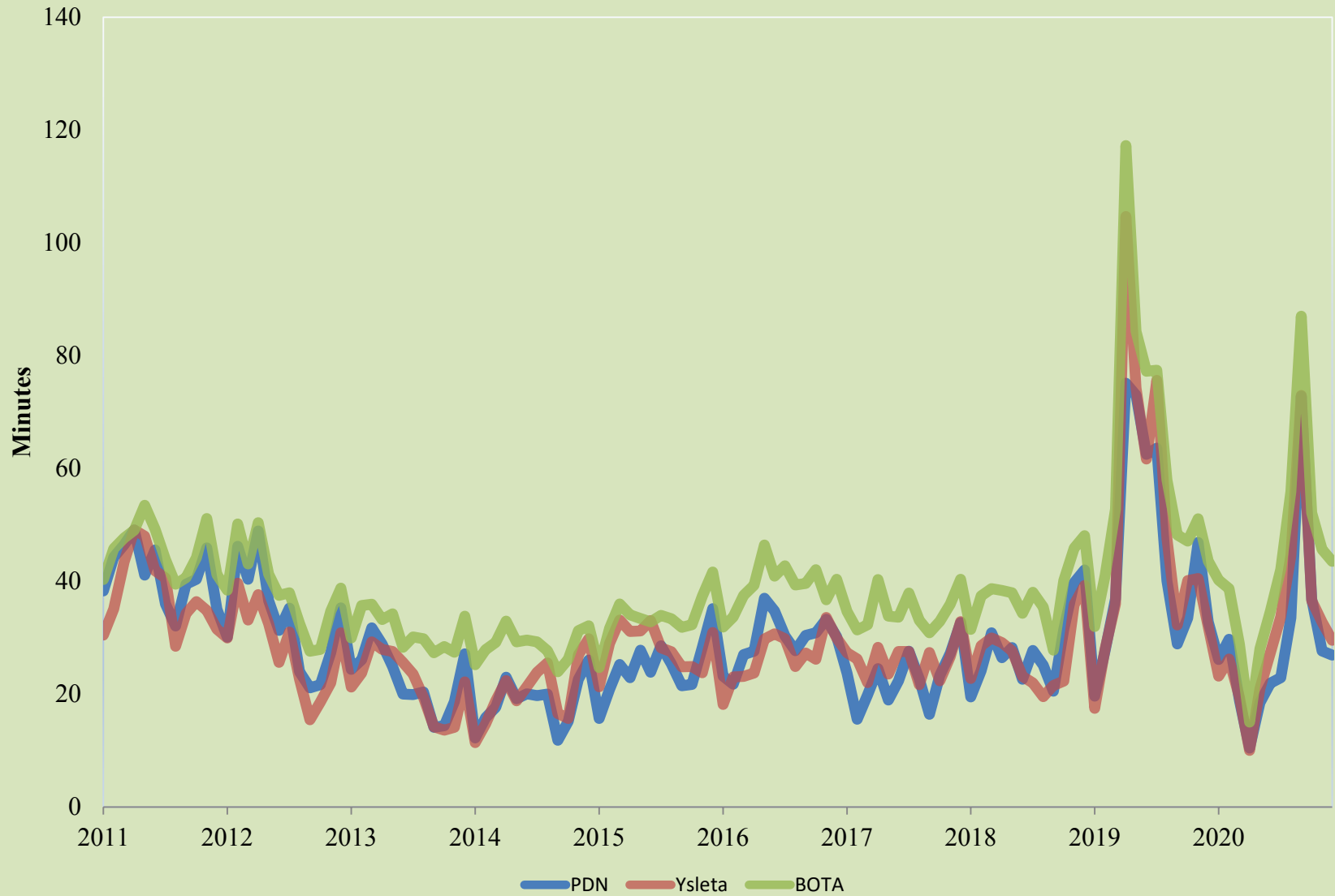
Bridge of the Americas Monthly Wait Times

2019 2020



Source: UTEP Border Region Modeling Project

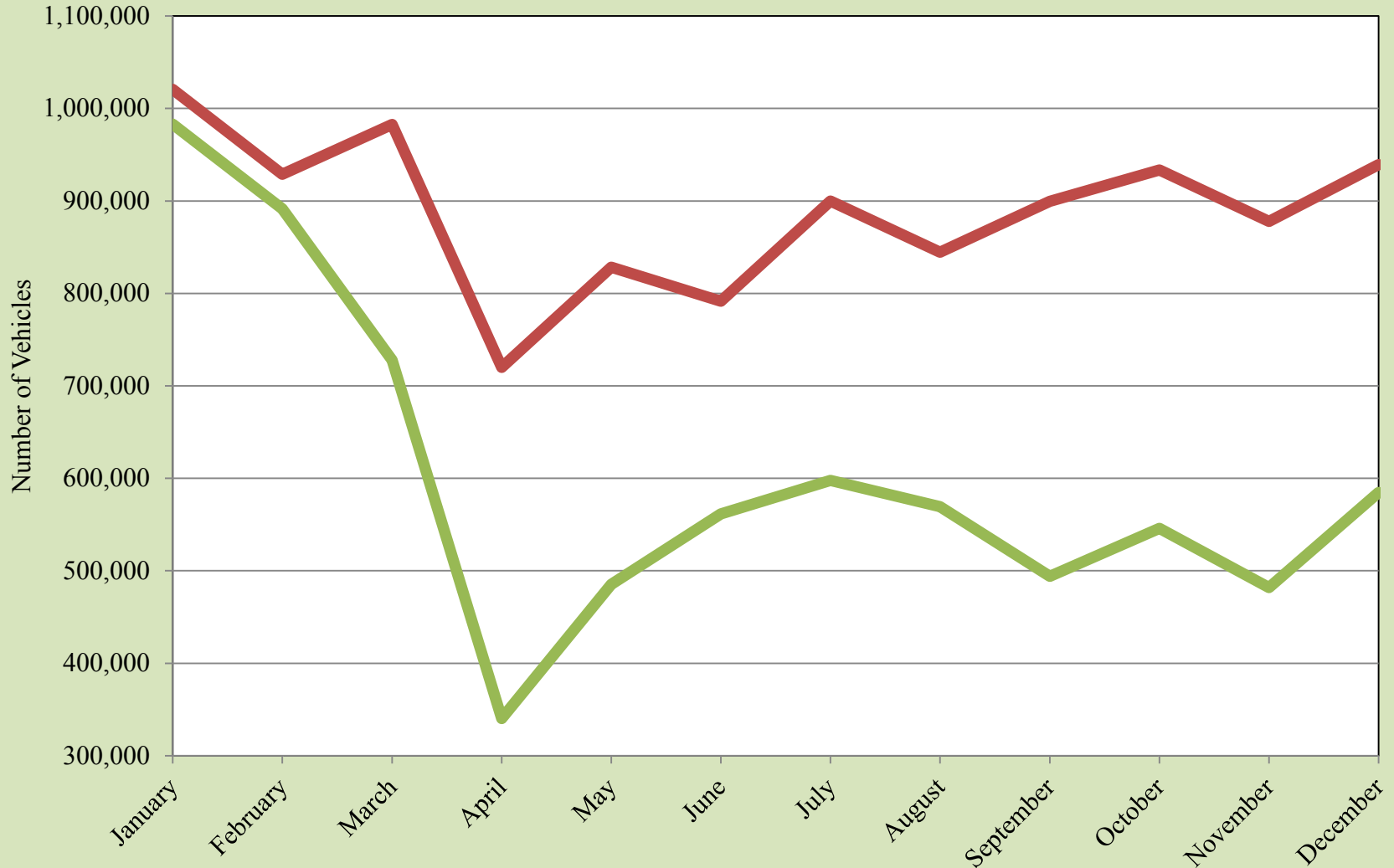
Monthly Border Wait Times



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

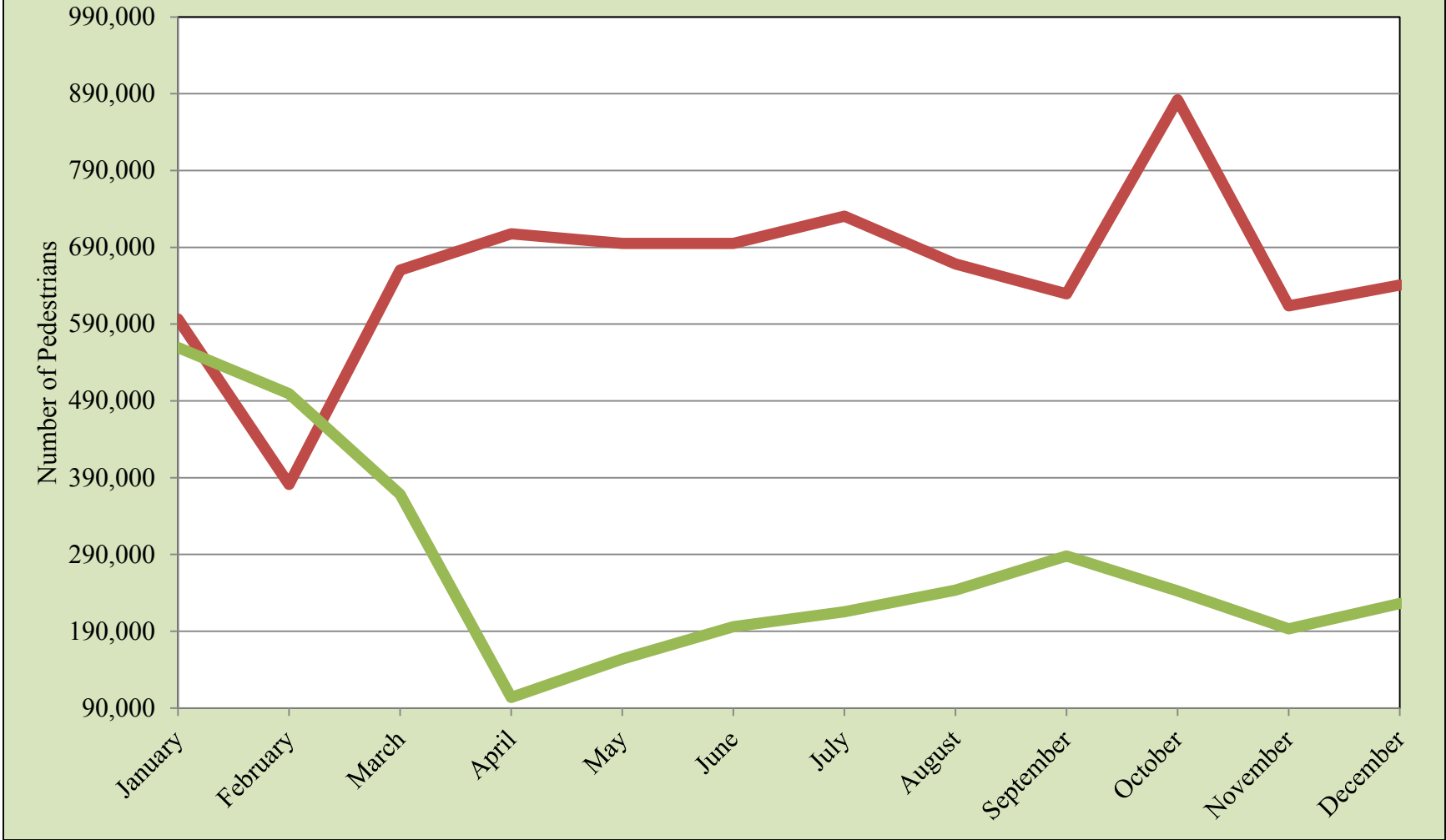
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Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

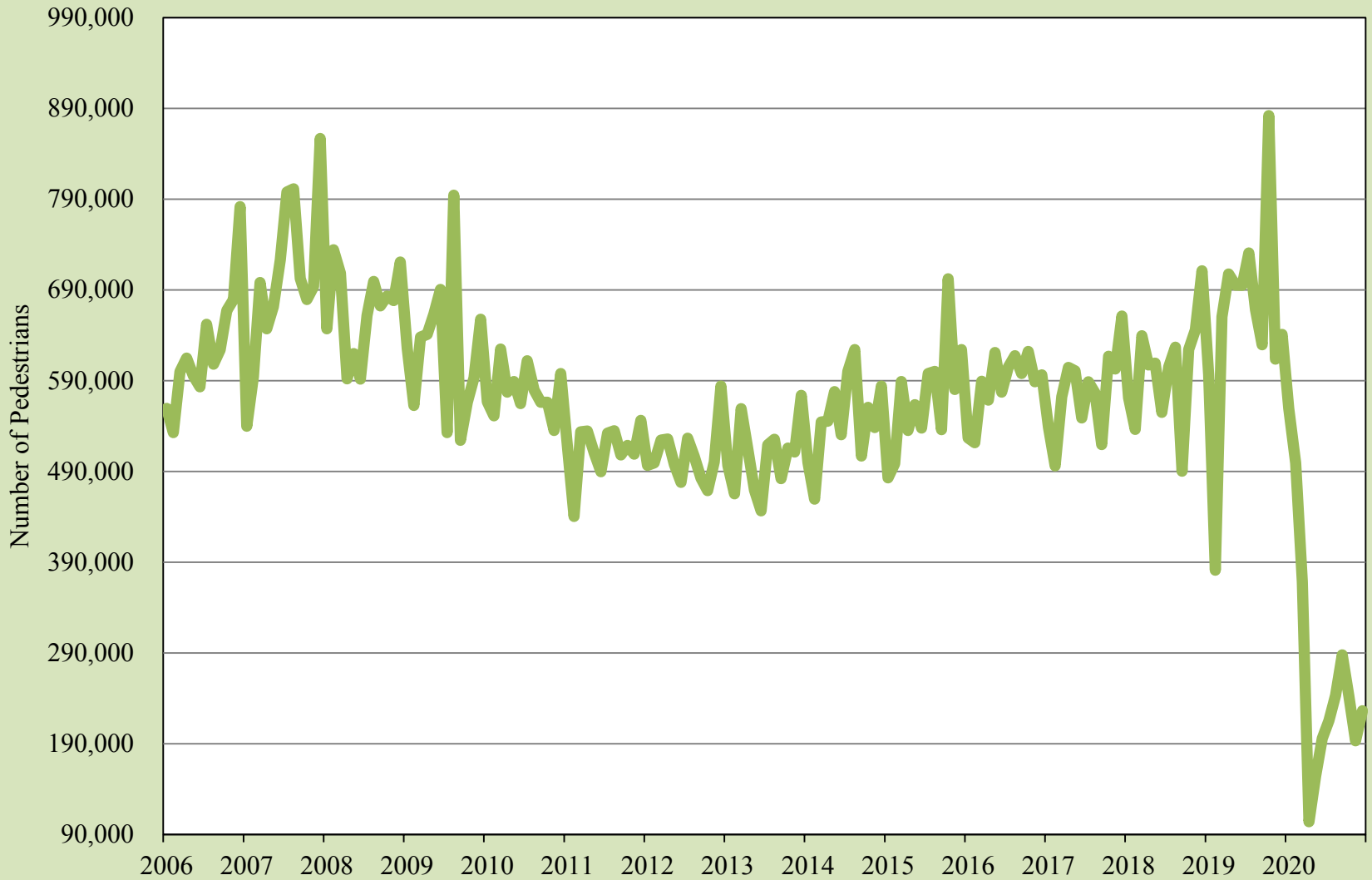
Pedestrian International Bridge Crossings to El Paso

2019 2020



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

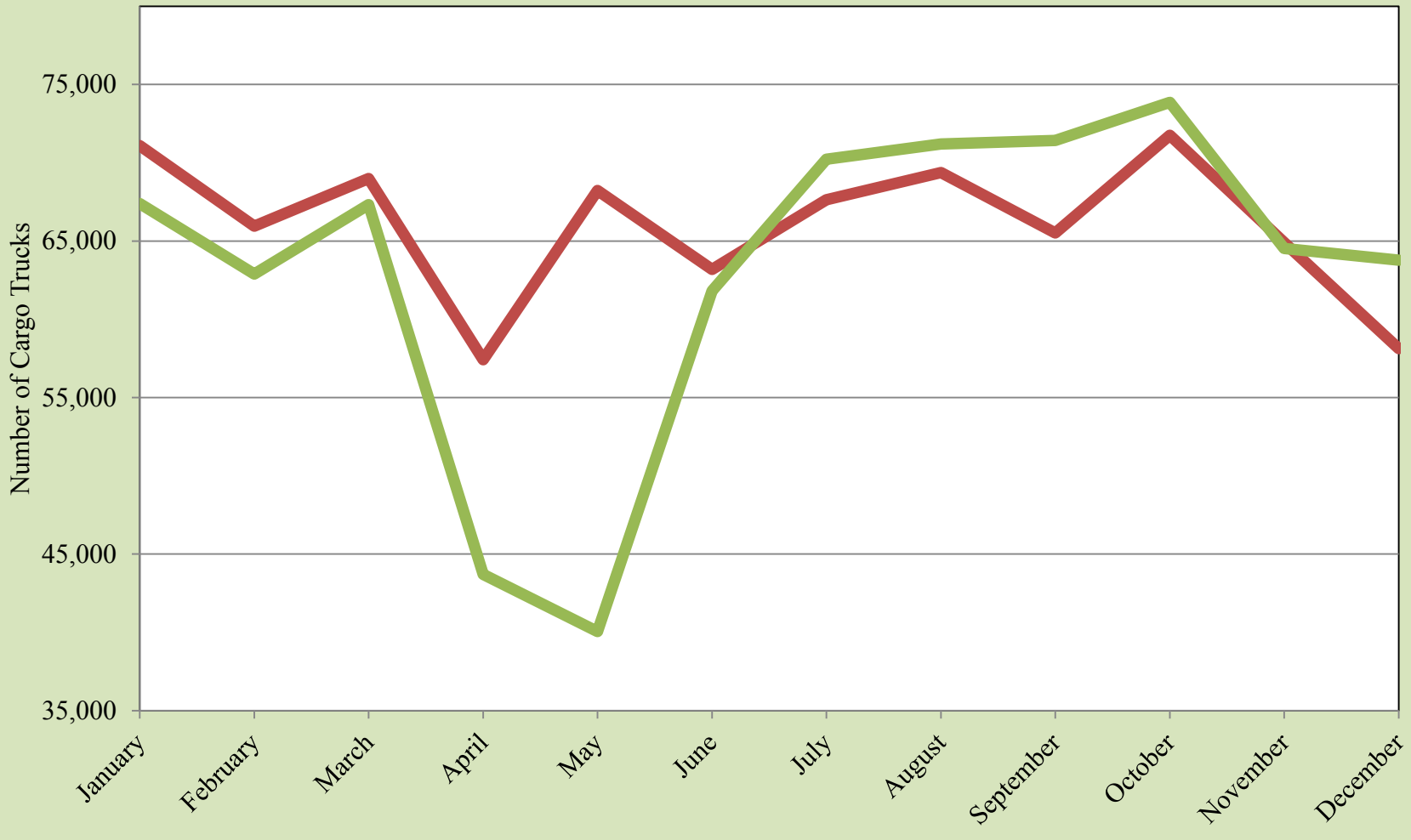
Pedestrian International Bridge Crossings to El Paso



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

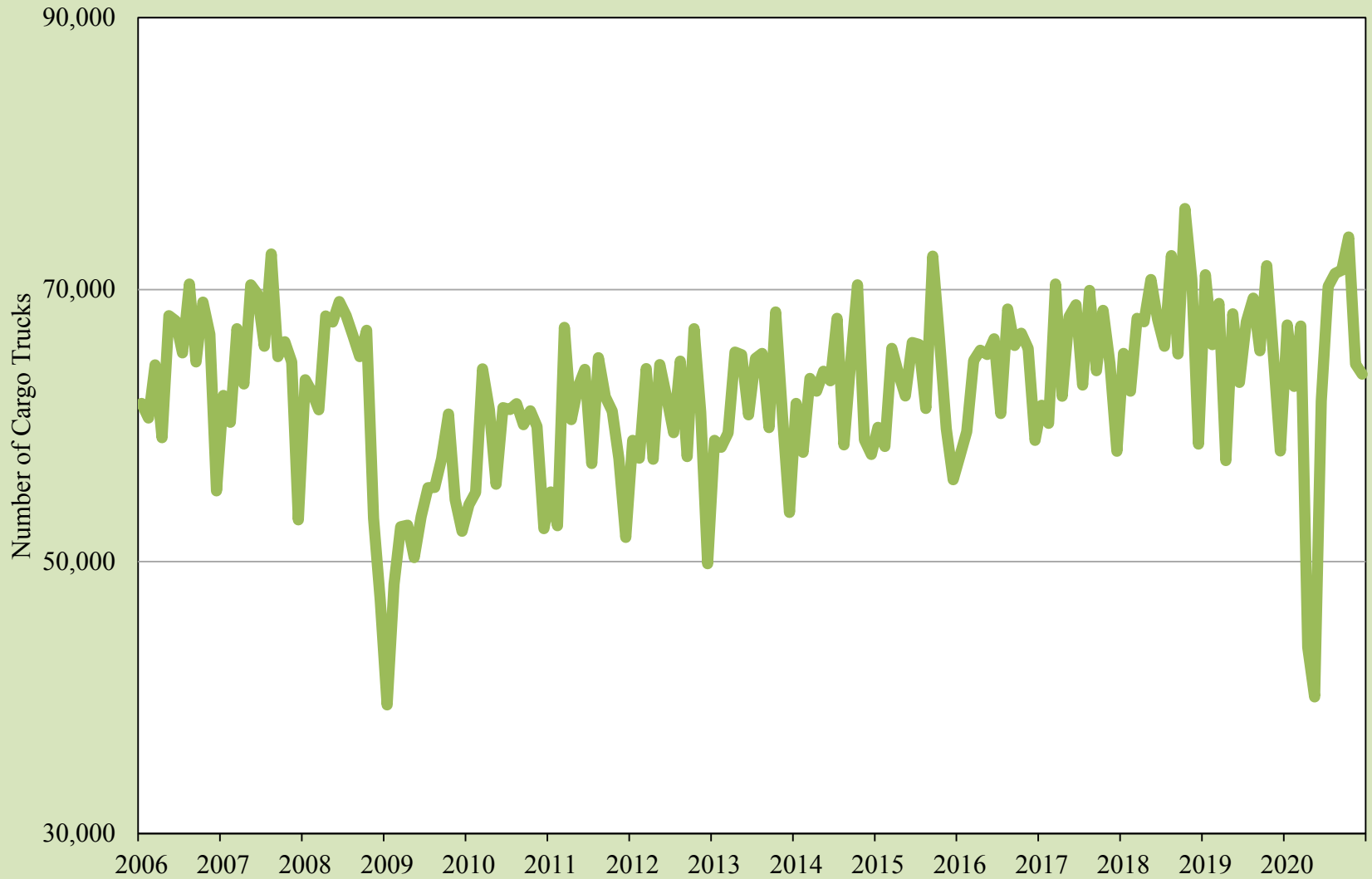
Cargo Truck International Bridge Crossings to El Paso

2019 2020



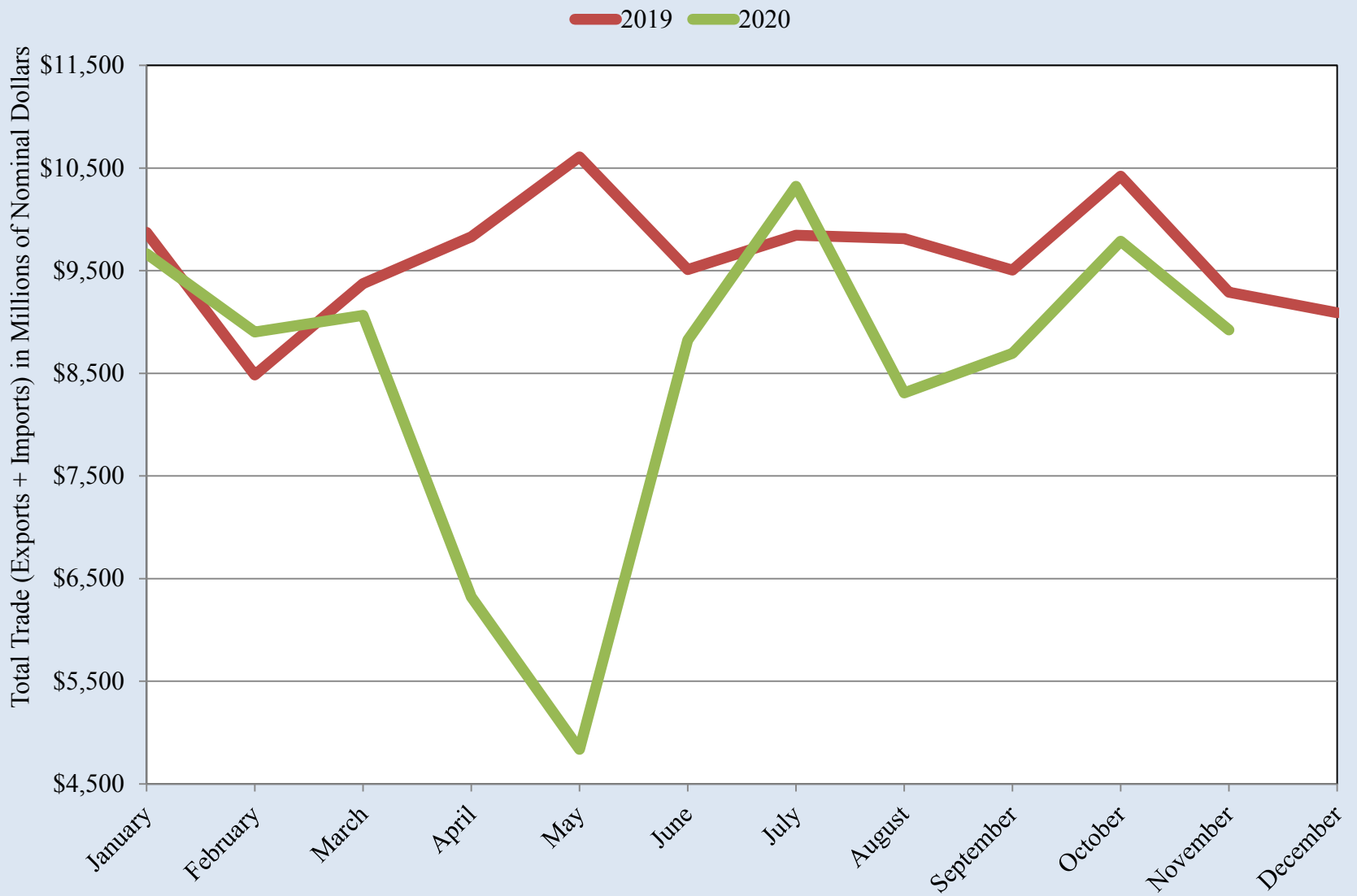
Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

Cargo Truck International Bridge Crossings to El Paso



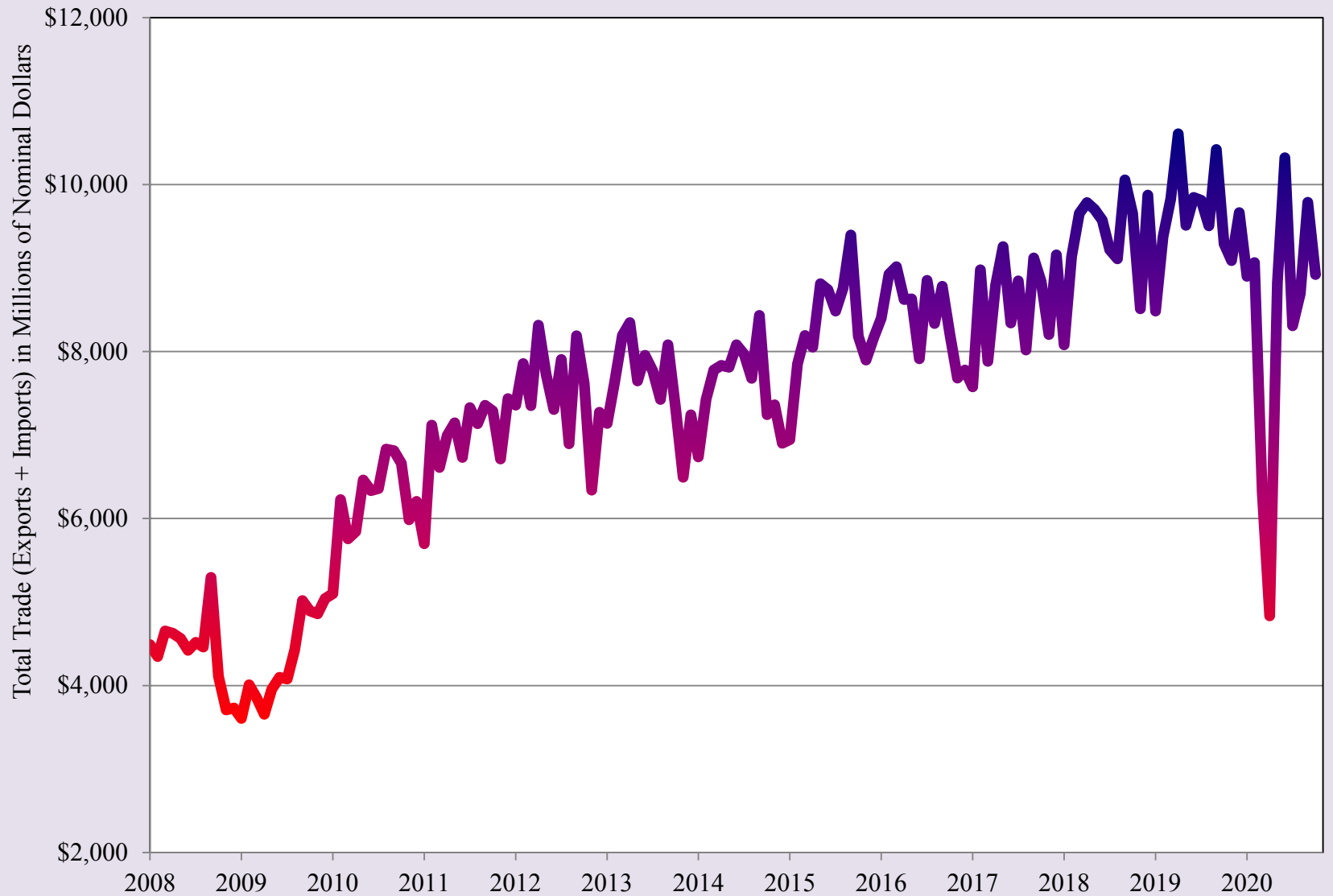
Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

Total Trade through the El Paso Customs District



Source: U.S. International Trade Commission

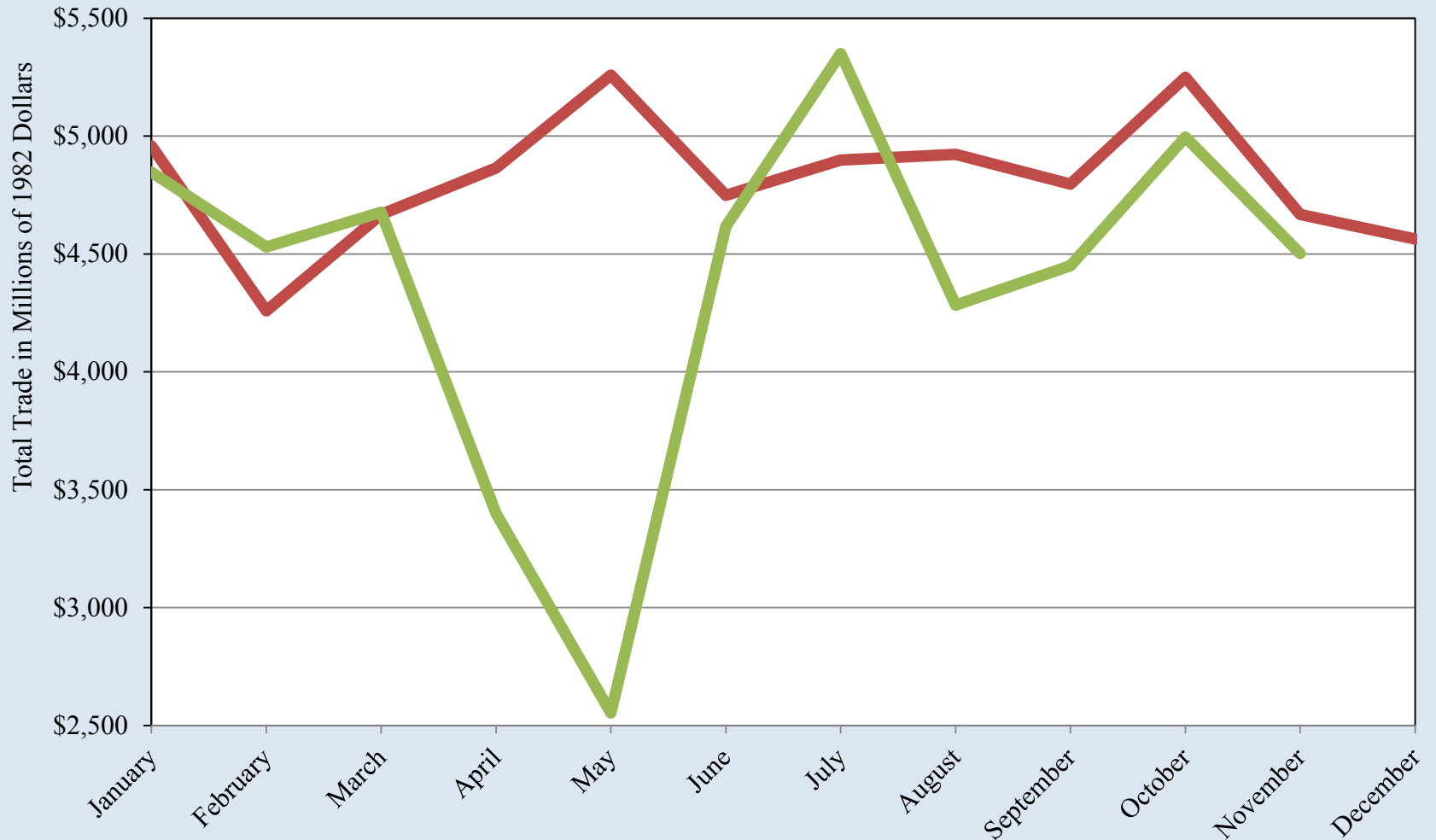
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Source: U.S. International Trade Commission

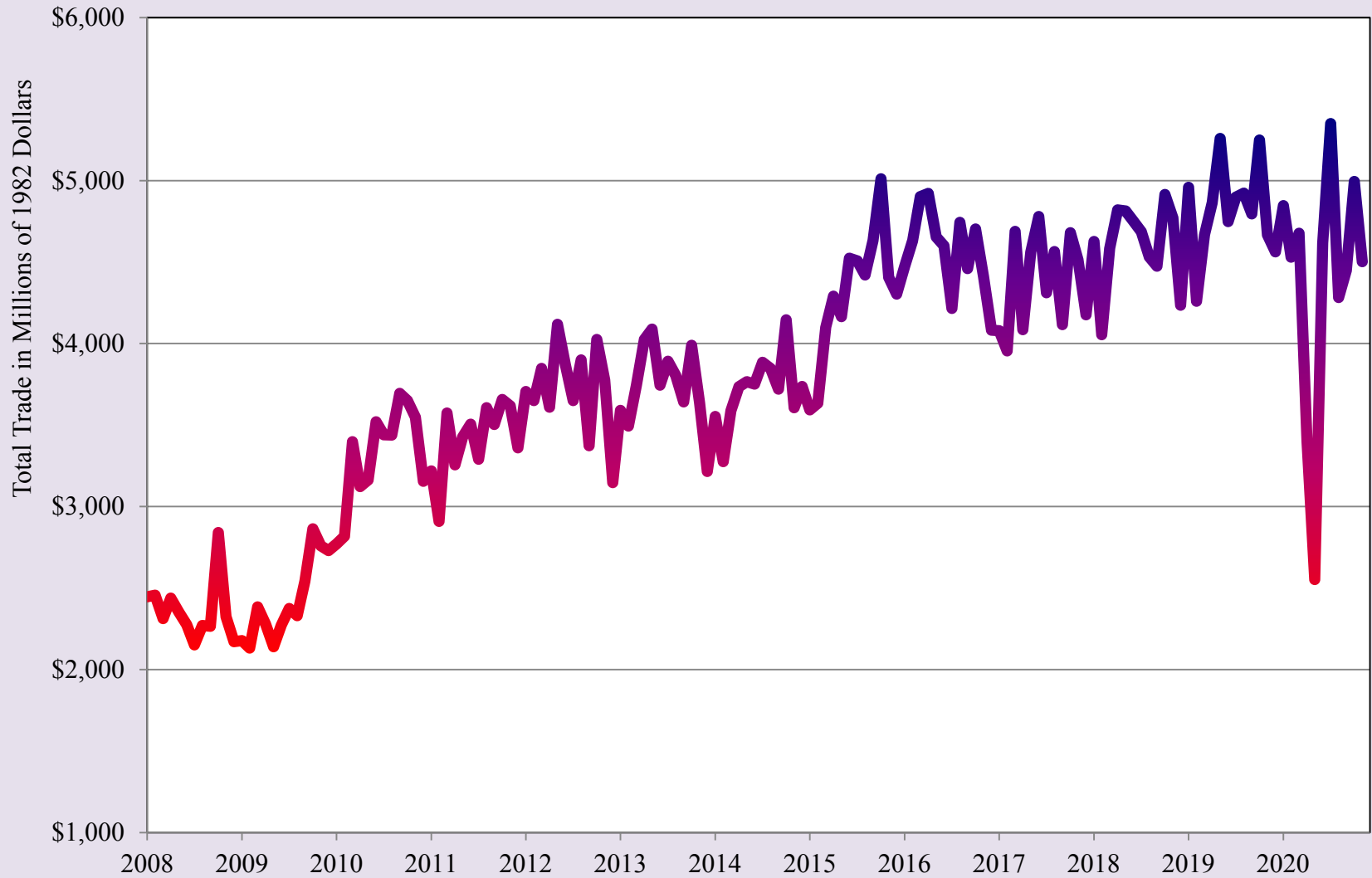
Real Total Trade through the El Paso Customs District

2019 2020



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

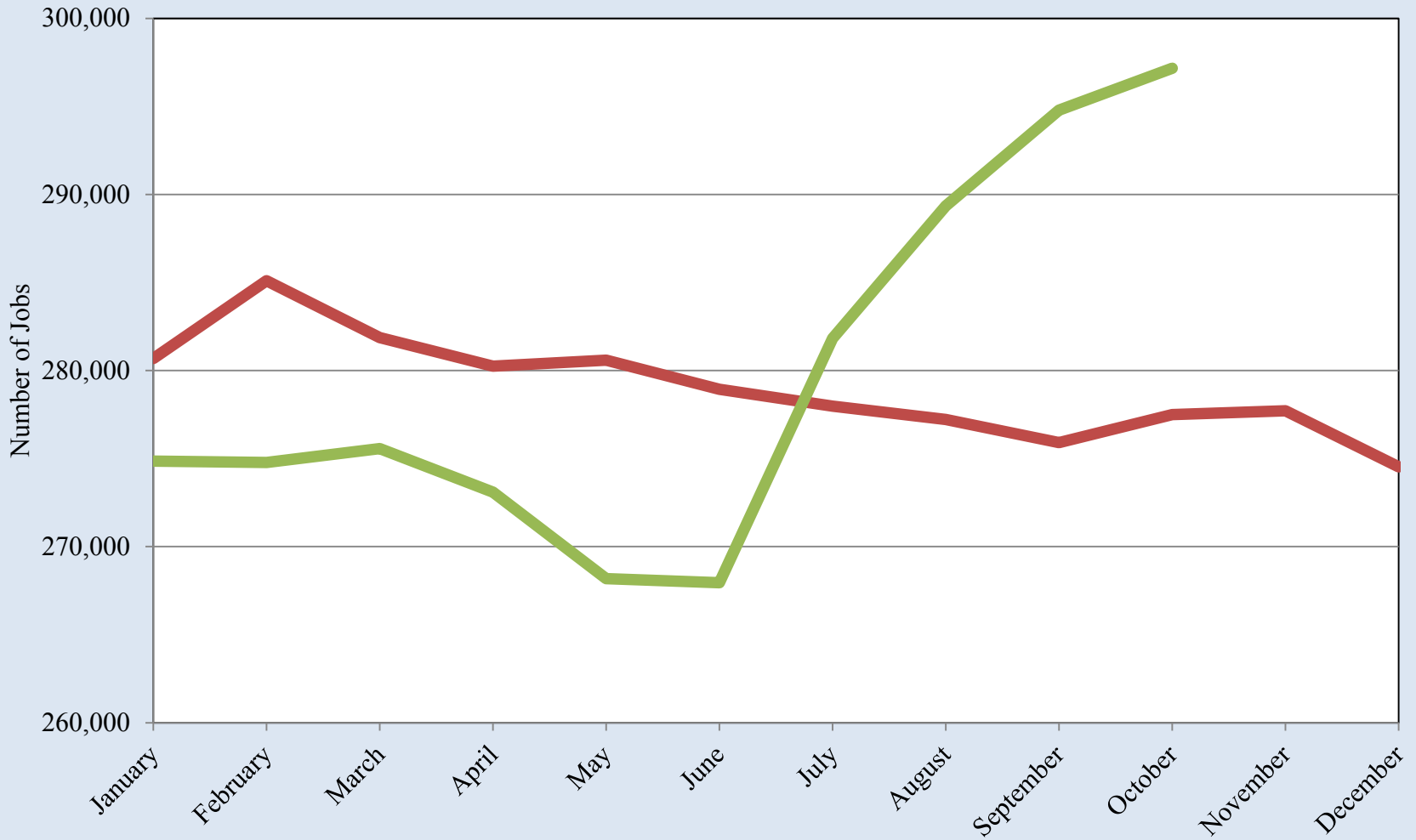
Real Total Trade through the El Paso Customs District



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

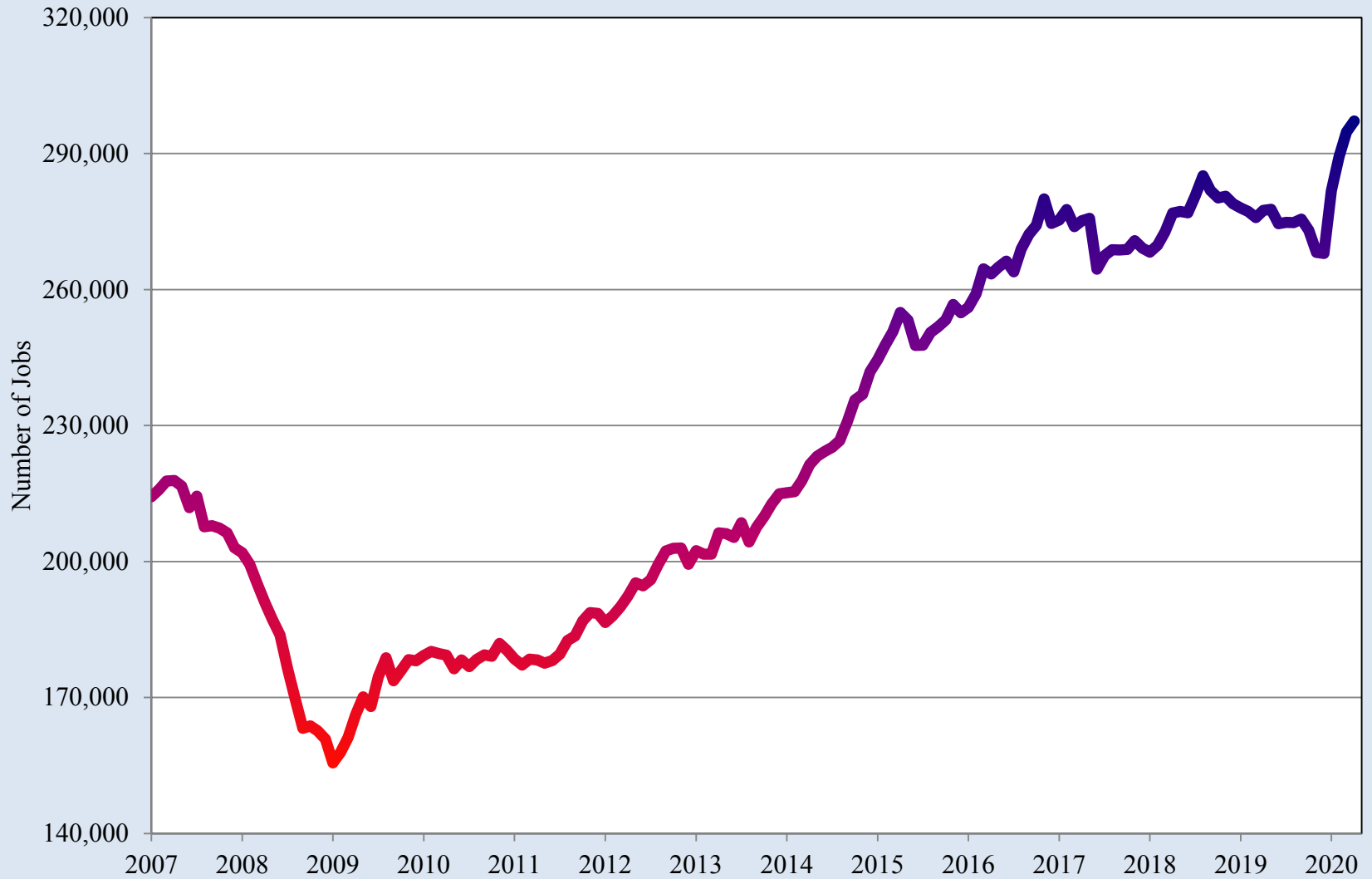
Export-Oriented Manufacturing Employment in Ciudad Juárez

2019 2020



Source: INEGI

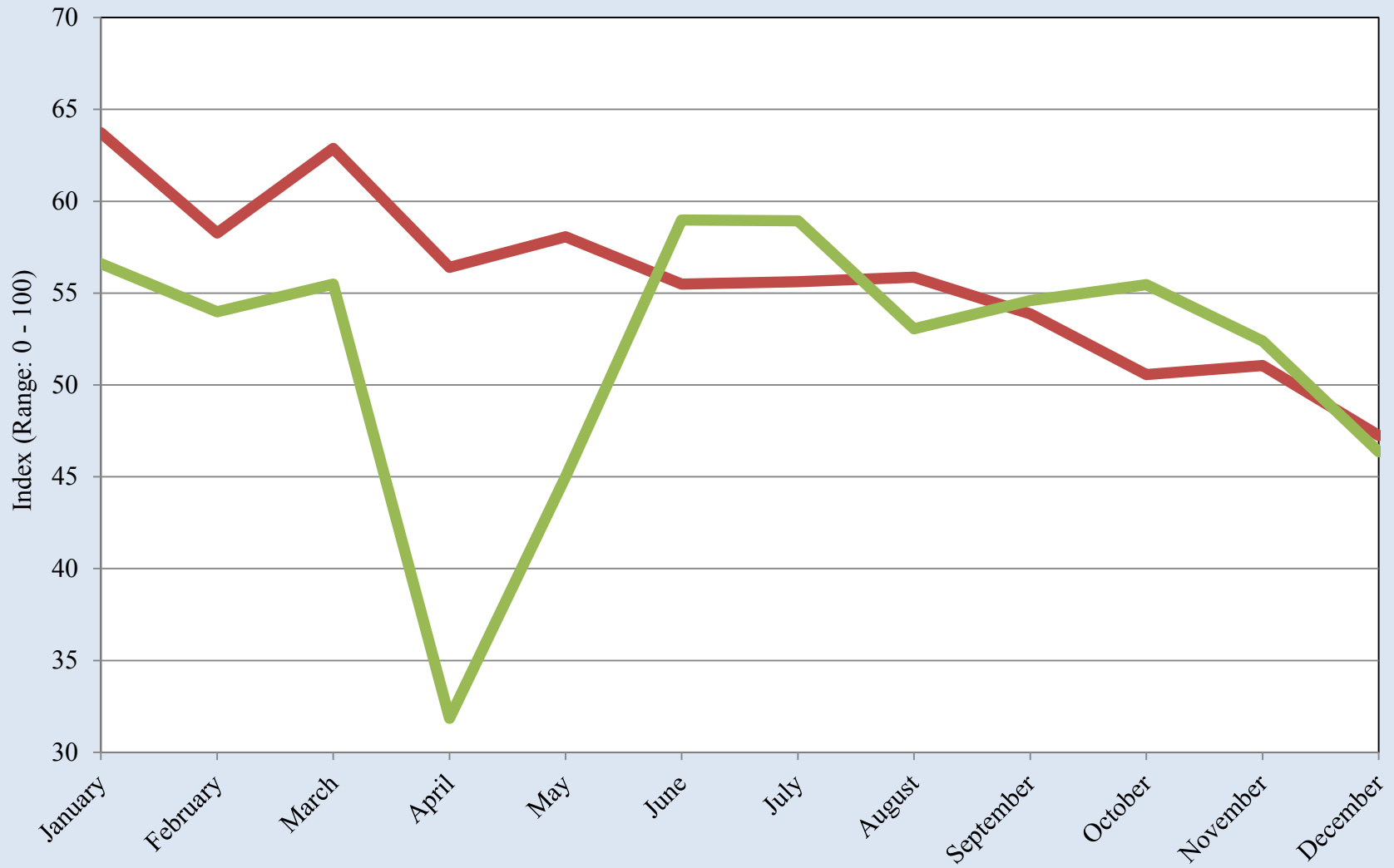
Export-Oriented Manufacturing Employment in Ciudad Juárez



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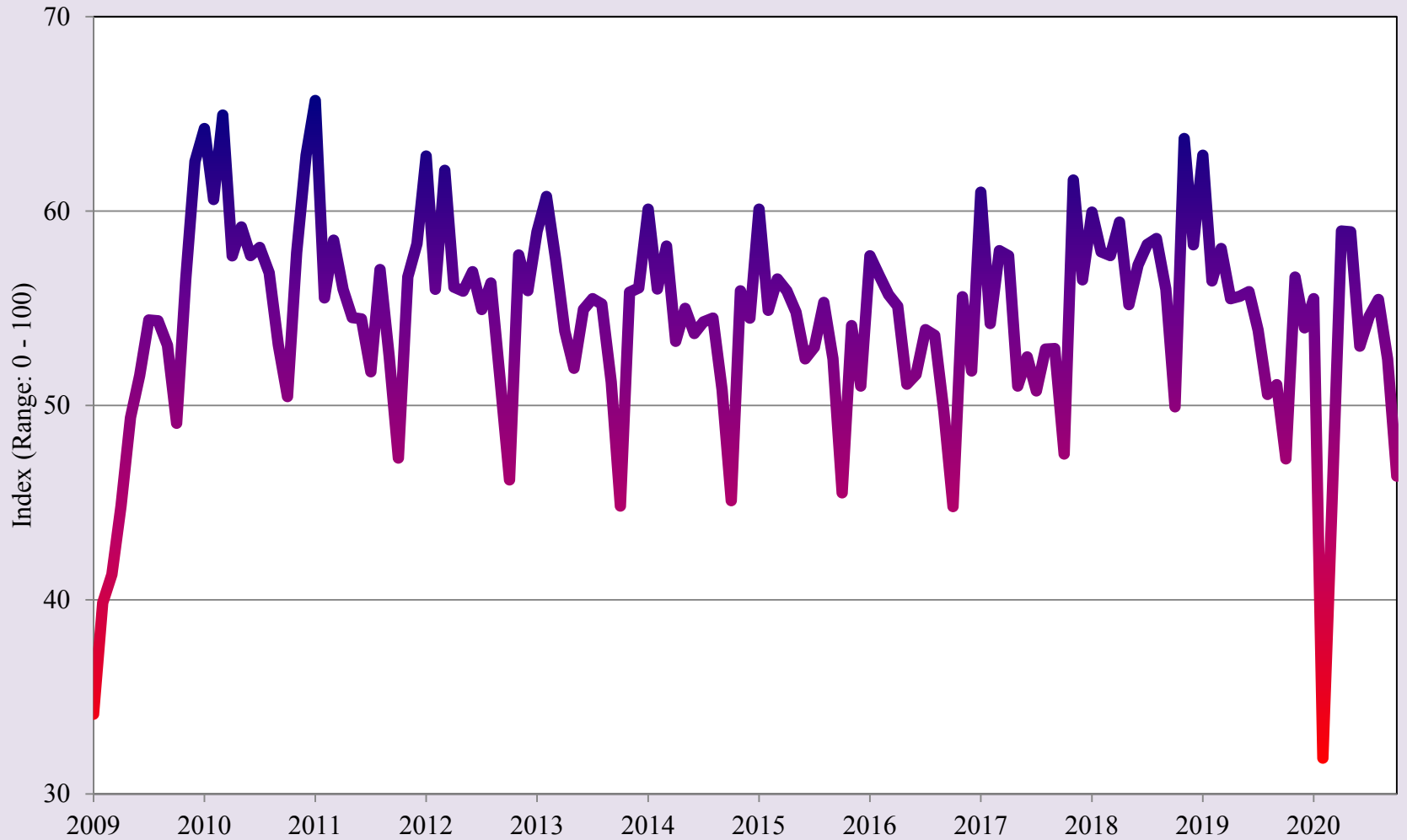
Northern Mexico Manufacturing Orders Index

2019 2020



Source: Banco de México

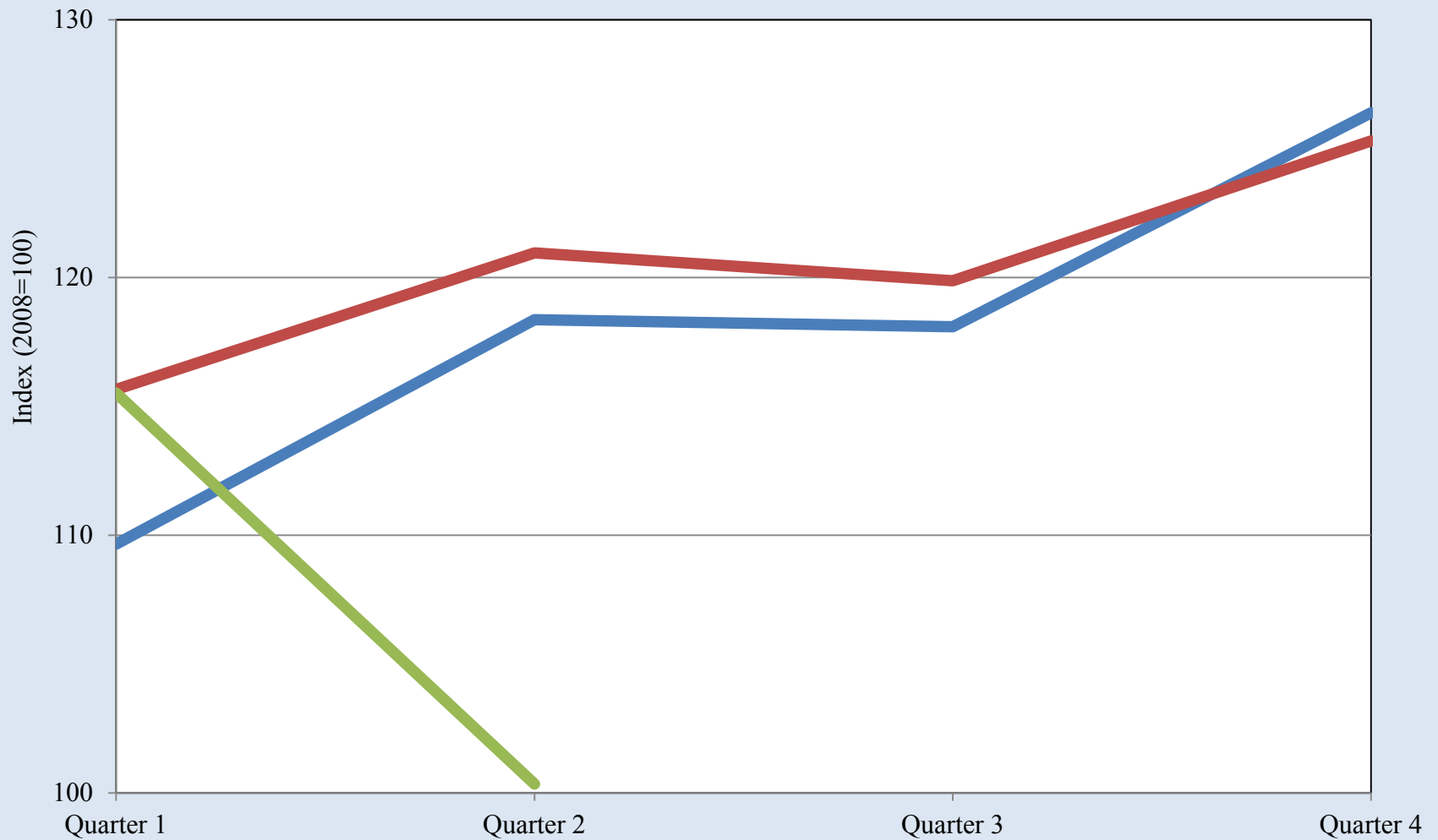
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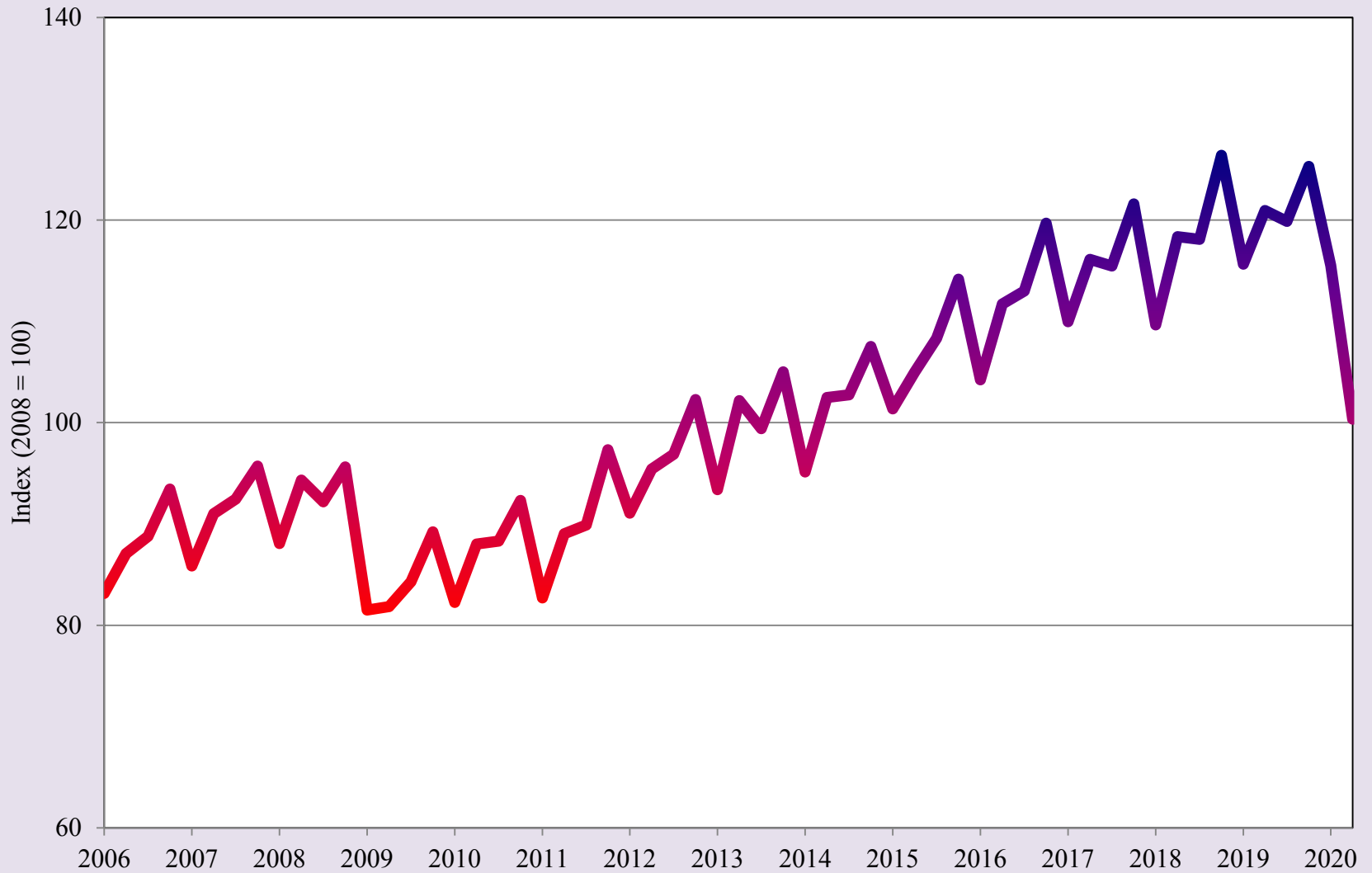
Quarterly Indicator of Economic Activity for the State of Chihuahua

— 2018 — 2019 — 2020



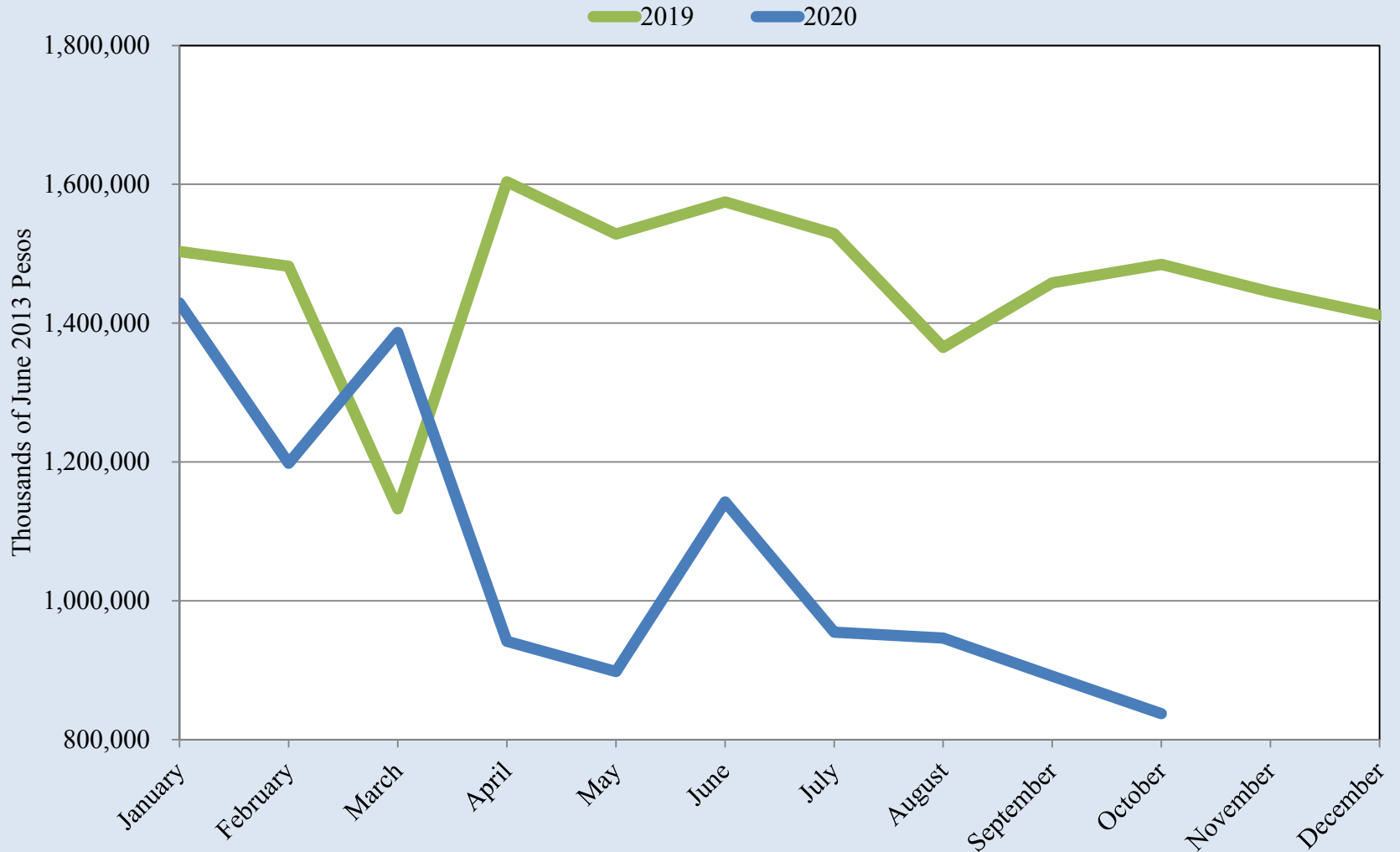
Source: INEGI

Quarterly Indicator of Economic Activity for the State of Chihuahua



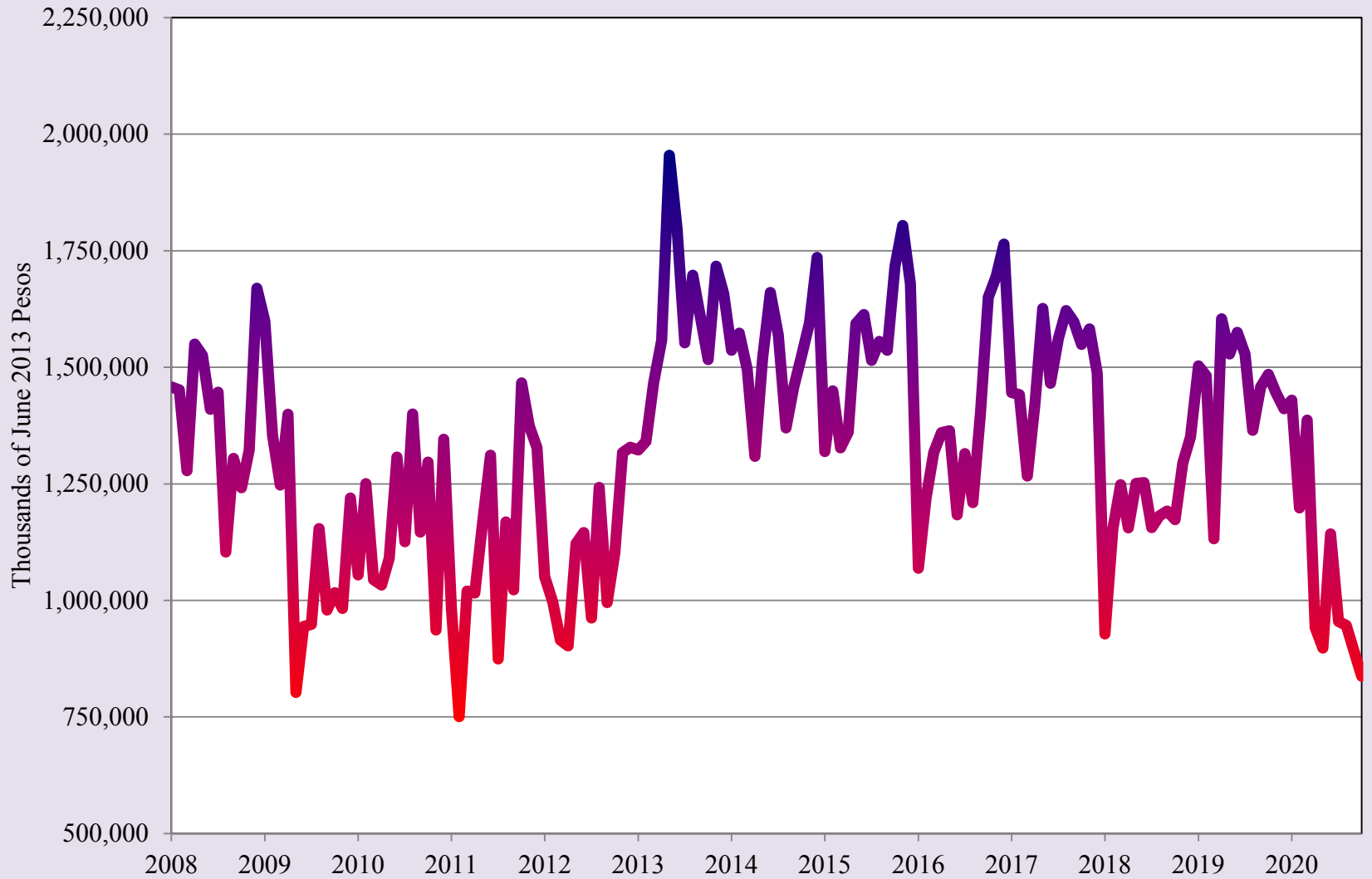
Source: INEGI

Total Value of Construction in the State of Chihuahua



Source: INEGI

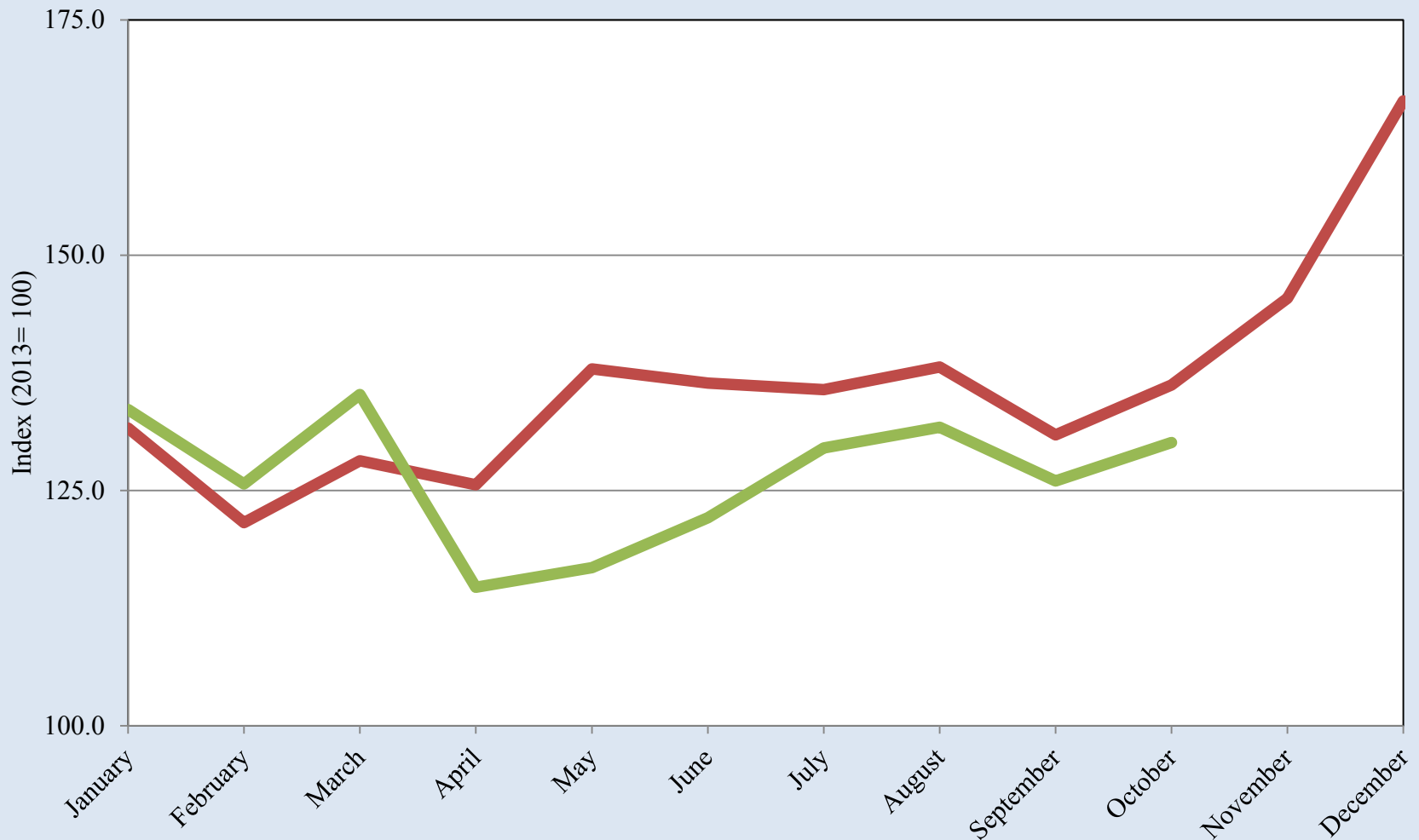
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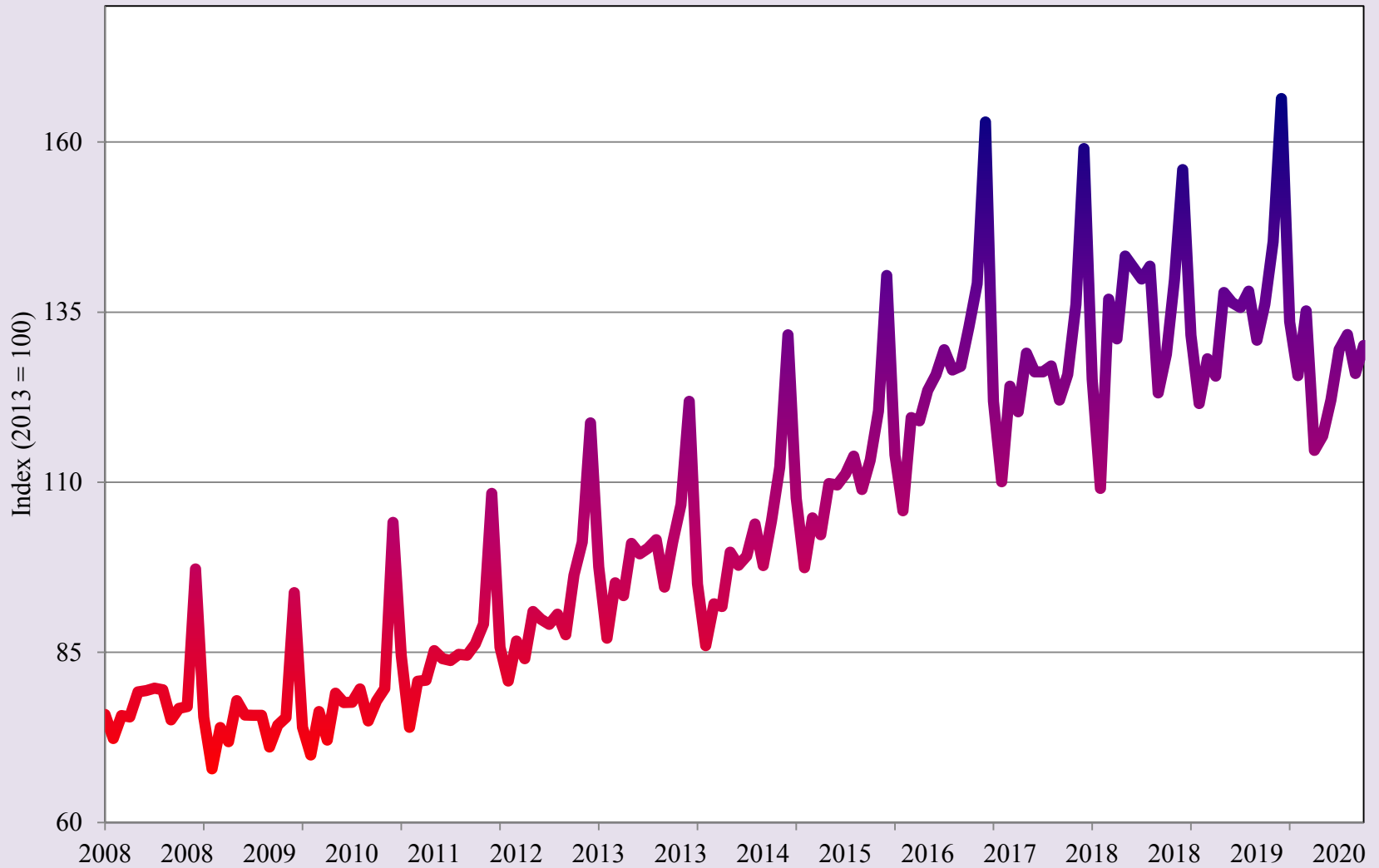
Real Retail Activity Index for the State of Chihuahua

2019 2020



Source: INEGI

Real Retail Activity Index for the State of Chihuahua



Source: INEGI



Short-Term
Outlook to
2022



BORDERPLEX BUSINESS BAROMETER

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