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Comments:
Short-Term T-Bill Yields still close to Zero

The regional economy seems poised for recovery acceleration to begin during the second half of 2021. That outlook is dependent on continued success in the mass COVID-19 vaccine rollouts throughout North America. Along those lines, the El Paso Metropolitan Business Cycle Index of the Federal Reserve Bank of Dallas ended 2020 on an upward note. Less favorably, the BRMP El Paso household stress index rose to its highest level since April 2019, but the federal stimulus packages have prevented this gauge from rising to the post-banking crisis levels of 2010.

Loan demand still remains weak. Short-term U.S. Treasury bills still hovered very close to zero percent yields in January 2021. Yields on longer term Treasury notes and bonds now exceed 1 percent and have closed much of the gap with respect to the yields observed in January 2020. Unless the national economy accelerates more rapidly than expected, upward rate moves at the shorter end of the interest spectrum may not materialize until 2023. In business cycle forecasting, surprises like that sometimes exist.

The El Paso County unemployment rate was 8.0 percent in December 2020, a 440 basis point jump from its prior-year level. Although all employment sectors were damaged in El Paso, leisure and hospitality suffered the greatest job losses during 2020. By year-end, El Paso Supplemental Nutrition Assistance Program (SNAP or food stamp) enrollments rose to nearly 159 thousand recipients.

The median price for single-family homes in El Paso increased to $185,000 for January 2021, approximately 12 percent higher than the corresponding figure from January 2020. Incredibly, the months of housing inventory for sale in El Paso dropped to 1.2 months in January. Also supporting the record high prices are low mortgage rates.

El Paso gasoline prices grew by more than 20 cents per gallon in February 2021. A bad winter storm forced many refineries in Texas were shut down. Beyond that, West Texas Intermediate (WTI) crude oil averaged more than $58 per barrel during February.

For 2020 as a whole, the Las Cruces unemployment rate increased by 300 basis points from 5.7 percent in 2019 to 8.7 percent. As was the case down the river in El Paso, leisure and hospitality was the segment with the most notable payroll reductions in Doña Ana County. Mesilla Valley SNAP enrollments grew by more than 3.2 thousand on a year-over-year basis, with 30,402 recipients in January 2021.

The gap between the nominal peso per dollar exchange rate the BRMP restaurant price ratio narrowed slightly in January 2021. Additional convergence is likely during the balance of the year. USMCA government restrictions on non-essential border crossings continued to limit automobile and pedestrian traffic flows across international bridges in December 2020. However, in a harbinger of things to come, cross-border cargo vehicle traffic exceeded the prior-year volume in December. Stay tuned because total trade through the El Paso Customs District is projected to increase in nominal and real terms in 2021.
El Paso Metropolitan Business Cycle Index

Seasonally Adjusted Index (October 1980 = 100)

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

Seasonally Adjusted Index (October 1980 = 100)

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

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

Source: UTEP Border Region Modeling Project
El Paso County Unemployment Rate

Source: Bureau of Labor Statistics
El Paso County Unemployment Rate

Unemployment Rate (Not Seasonally Adjusted)

Source: Bureau of Labor Statistics
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
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

Nominal Price (Dollars per Gallon)

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
Las Cruces Area SNAP (Food Stamp) Cases

Source: New Mexico Human Services Department
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

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

Source: EPIA Operations
Source: EPIA Operations
EPIA Passengers

Source: EPIA Operations
EPIA Passengers

Inbound+Outbound

Source: EPIA Operations
EPIA Air Carrier Operations

![Graph showing the number of aircraft operators from January to December for Air Carrier Operations 2019 and 2020.](image)

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

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

Number of Pedestrians

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

<table>
<thead>
<tr>
<th>Number of Cargo Trucks</th>
<th>2019</th>
<th>2020</th>
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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
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

Source: INEGI
Northern Mexico Manufacturing Orders Index

Source: Banco de México
Quarterly Indicator of Economic Activity for 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

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

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.