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## **Borderplex Business Barometer, Volume 5, Number 3**

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# BORDERPLEX BUSINESS BAROMETER

**March 2021**

**Border Region Modeling Project**

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**Borderplex Business Barometer, Volume 5, Number 3**

**Pandemic Neutralization Efforts Generate Gains**

The Federal Reserve Bank of Dallas El Paso Metropolitan Business Cycle Index increased to 336.7 in February. In spite of that, the UTEP BRMP El Paso Household Economic Stress Index increased to 1.9. The February unemployment rate was, again, more than double its year-ago level. Government stimulus programs have averted disaster, however, and El Paso County Supplemental Nutrition Assistance Program (SNAP or food stamp) enrollments began the year below the volume posted in 2020 before the onset of the pandemic. The extension of the eviction moratorium through the end of June will help keep a lid on the SNAP count.

The February 2021 yield curve was not flat or inverted but continued to exhibit non-standard features. Yields at the shorter maturities of the spectrum remained close to zero and were negative in real terms. At the longest maturities, rates on 20-year and 30-year Treasury Bonds barely exceed the inflation rate. Monetary policy is expected to remain very accommodative for the balance of 2021 and on into 2022.

In both nominal and real terms, the median price for single-family housing units reached a new record in February 2021. The new figure of \$187,975 is nearly \$20,000 above the year-ago mark. Low mortgage rates plus tight inventory conditions have propelled El Paso real estate prices to new heights in recent months. In February, stand-alone-units available for sale declined to only 1.1 months of inventory, also a record for the Sun City.

The February unemployment rate for Doña Ana County was 7.9 percent, a 160 basis point increase on a year-over-year basis. Non-farm employment in greater Las Cruces declined on a yearly basis by 6.1 percent. Manufacturing payrolls expanded by 7.4 percent relative to a year earlier. Because manufacturing often serves as a harbinger of broader economic trends, that development bodes well for the Mesilla Valley as a whole. Stronger labor market conditions would be helpful. Greater Las Cruces SNAP cases were 12 percent higher than 12 months earlier in January.

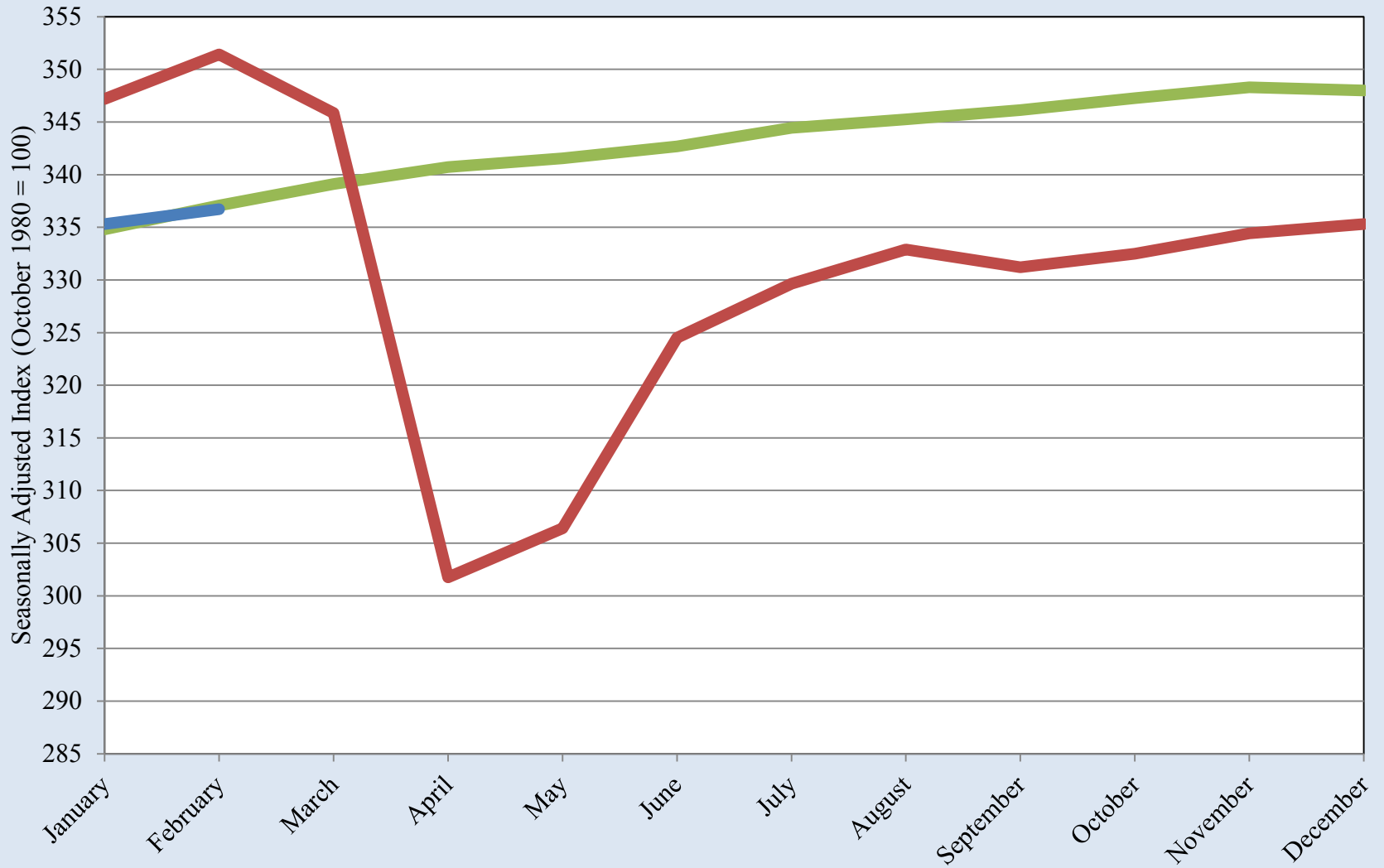
The gap between the nominal peso per dollar exchange rate and the BRMP restaurant ratio widened to 36.4 percent in February. Non-essential border travel restrictions remain firmly in place at the border ports of entry. February automobile crossings were nearly 37 percent below year-ago levels, while pedestrian traffic fell by more than 56 percent relative to where it stood in 2020. In contrast, cargo traffic and total trade through the El Paso Customs District began

2021 only slightly below levels tallied last year.

Total trade through the District is probably about to accelerate. Export-oriented manufacturing employment in Ciudad Juarez was substantially higher during the fourth quarter of 2020 than it was during the corresponding trimester of 2019. Greater manufacturing activity is also likely to translate into more construction orders throughout the region. Retail sales are expected to strengthen similarly this quarter and throughout the rest of the year for the Chihuahua State economy as a whole.

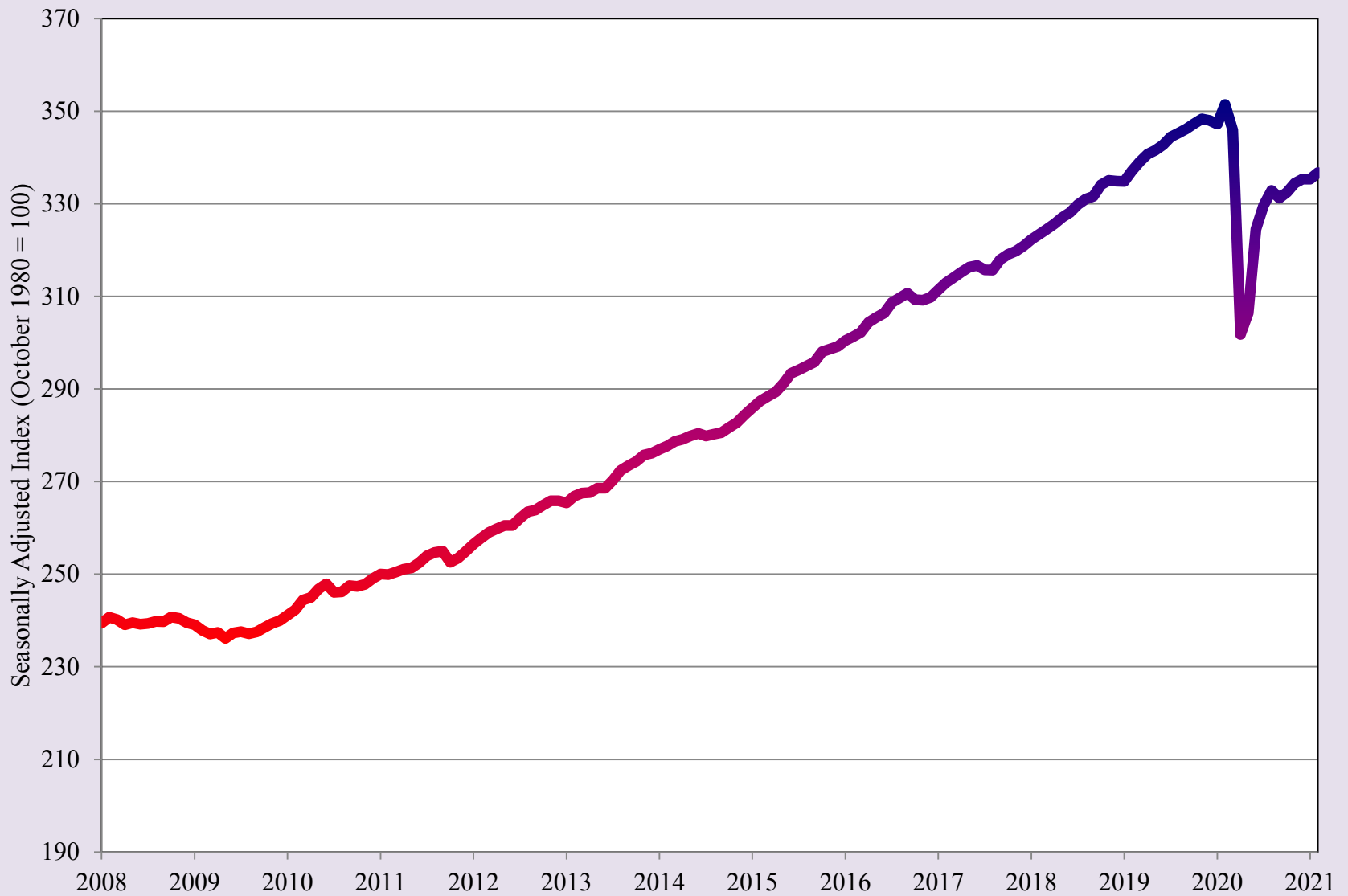
## El Paso Metropolitan Business Cycle Index

2019 2020 2021



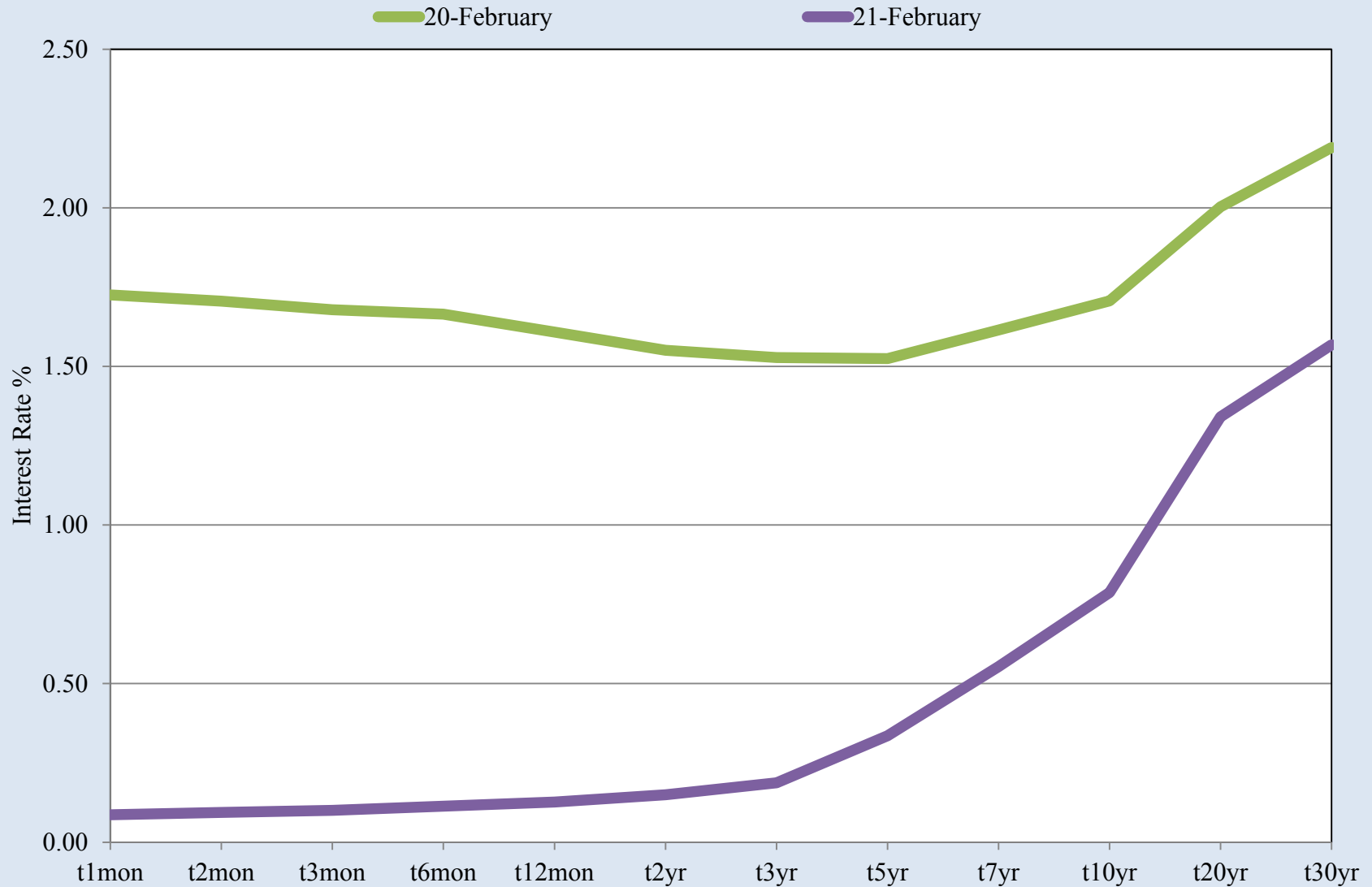
Source: Federal Reserve Bank of Dallas

## El Paso Metropolitan Business Cycle Index



Source: Federal Reserve Bank of Dallas

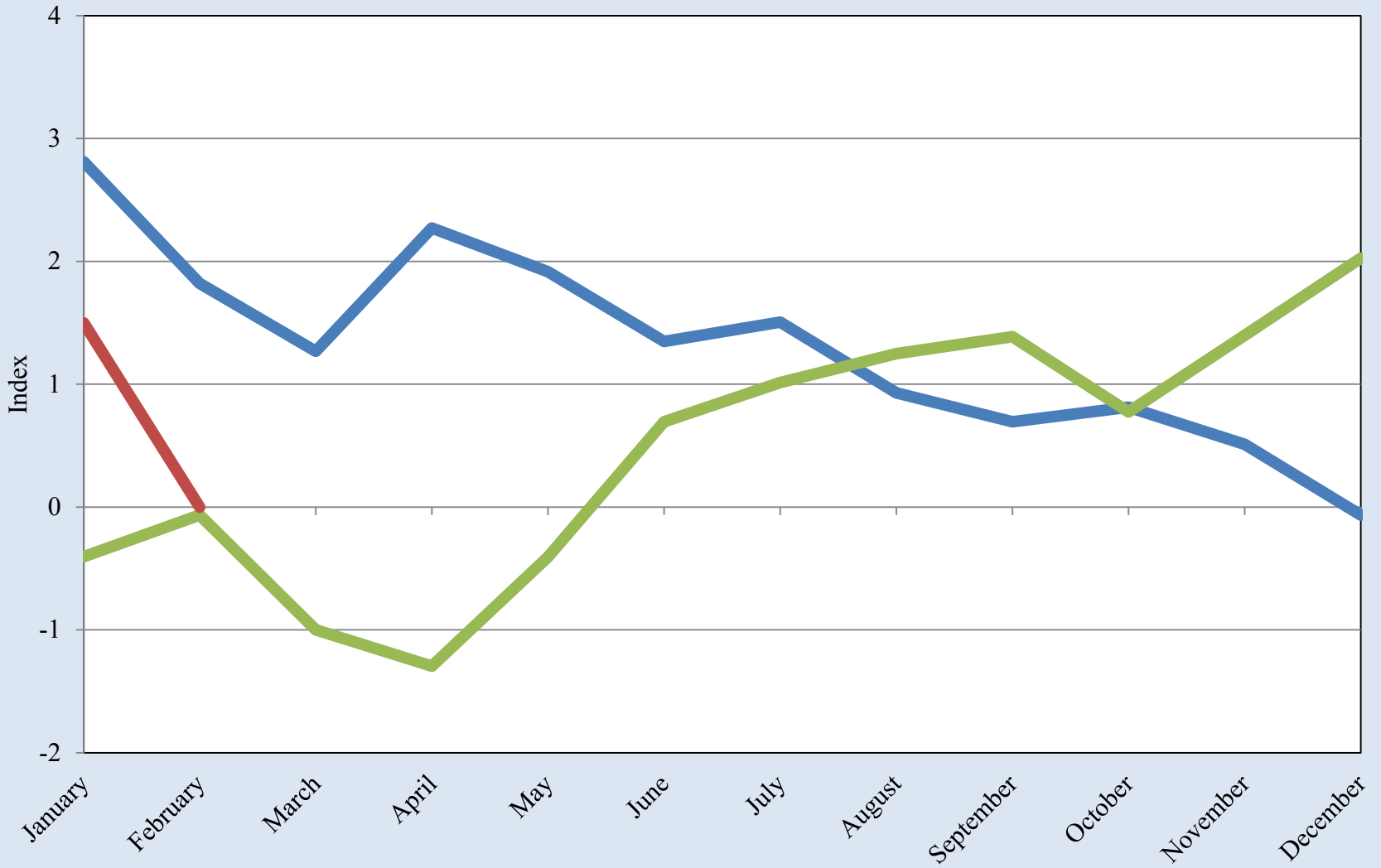
## Average Treasury Yield Curve Rates



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

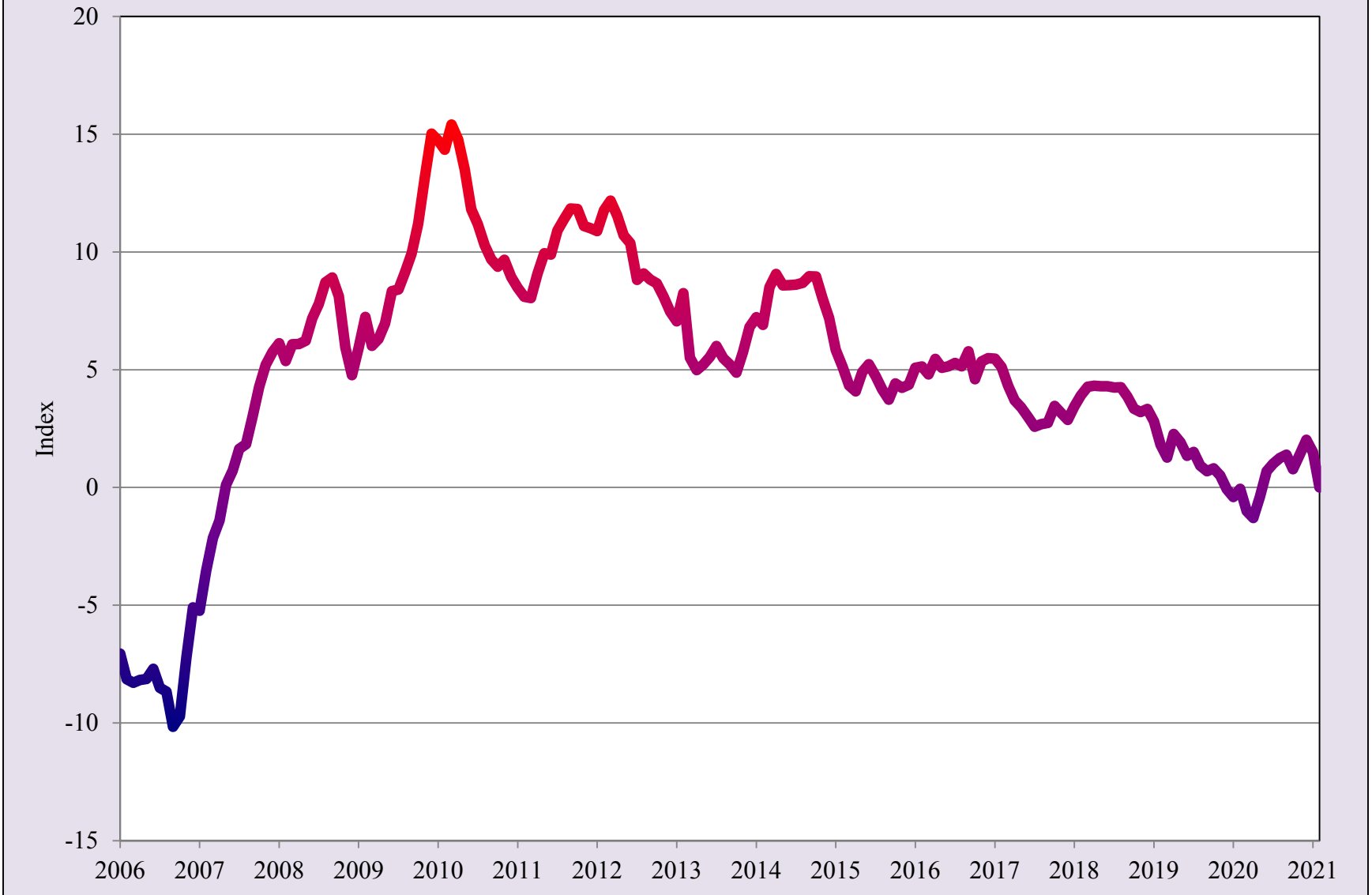
# El Paso Household Economic Stress Index

2019 2020 2021



Source: UTEP Border Region Modeling Project

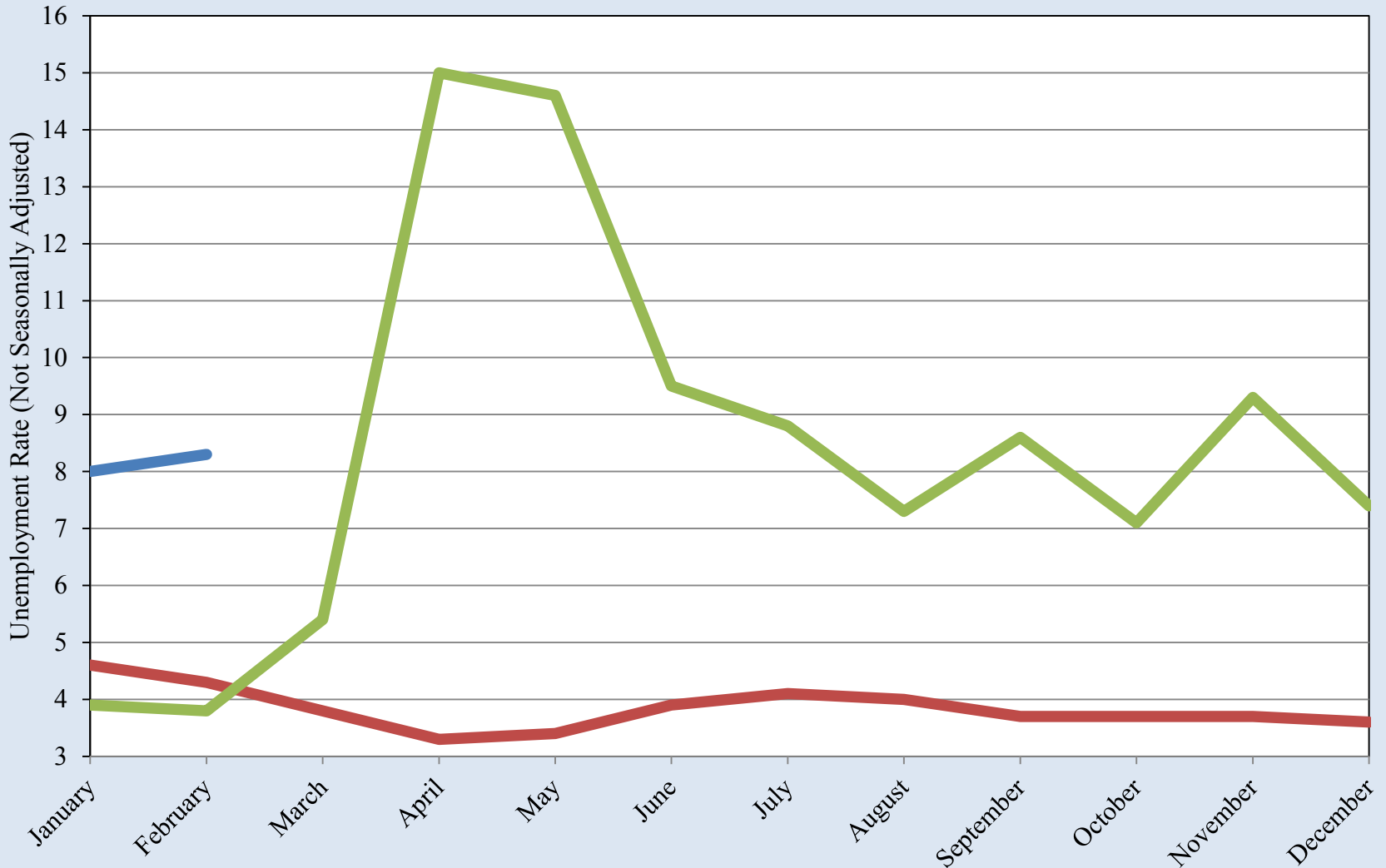
## El Paso Household Economic Stress Index



Source: UTEP Border Region Modeling Project

# El Paso County Unemployment Rate

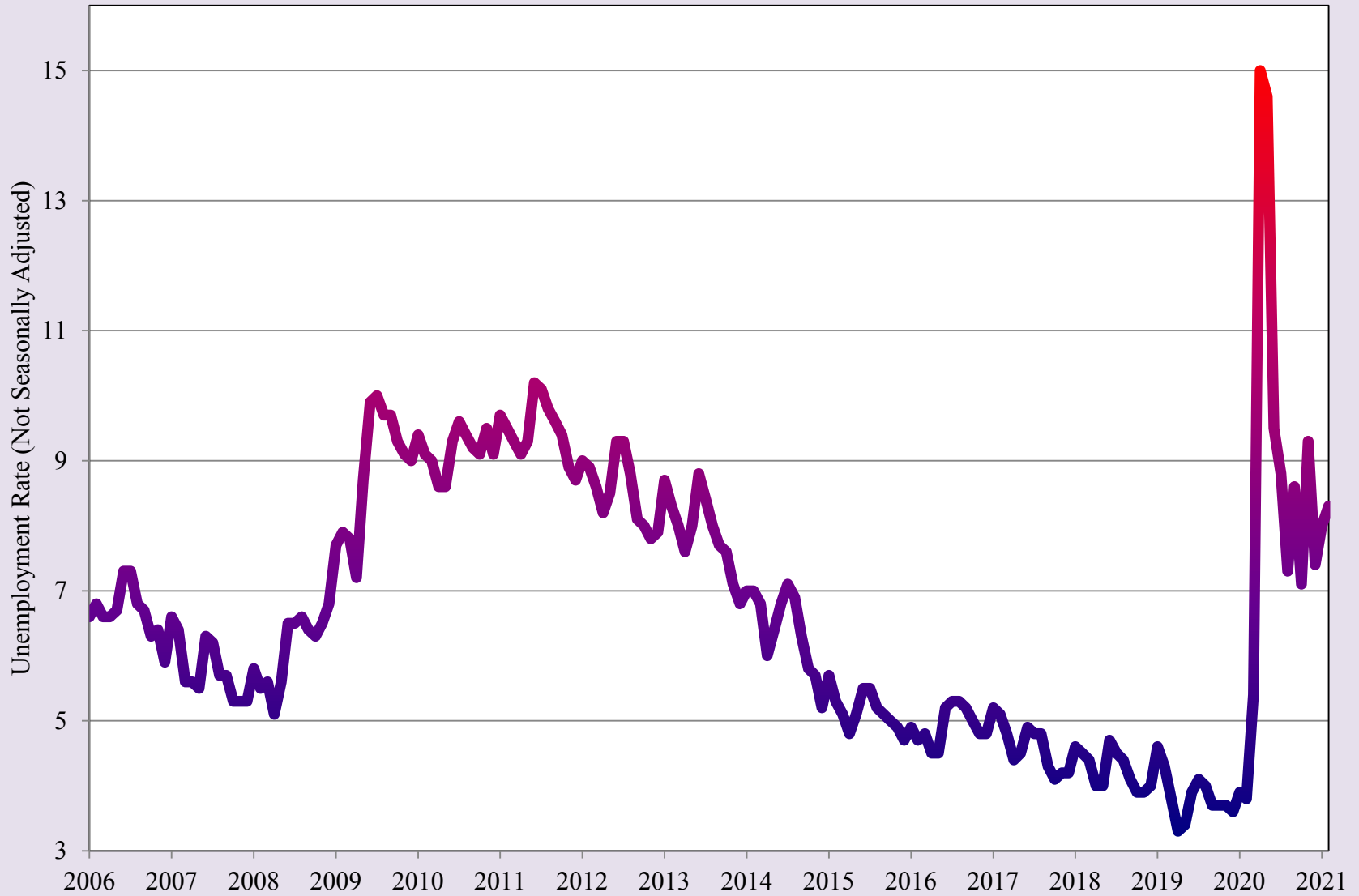
2019 2020 2021



Source: Bureau of Labor Statistics

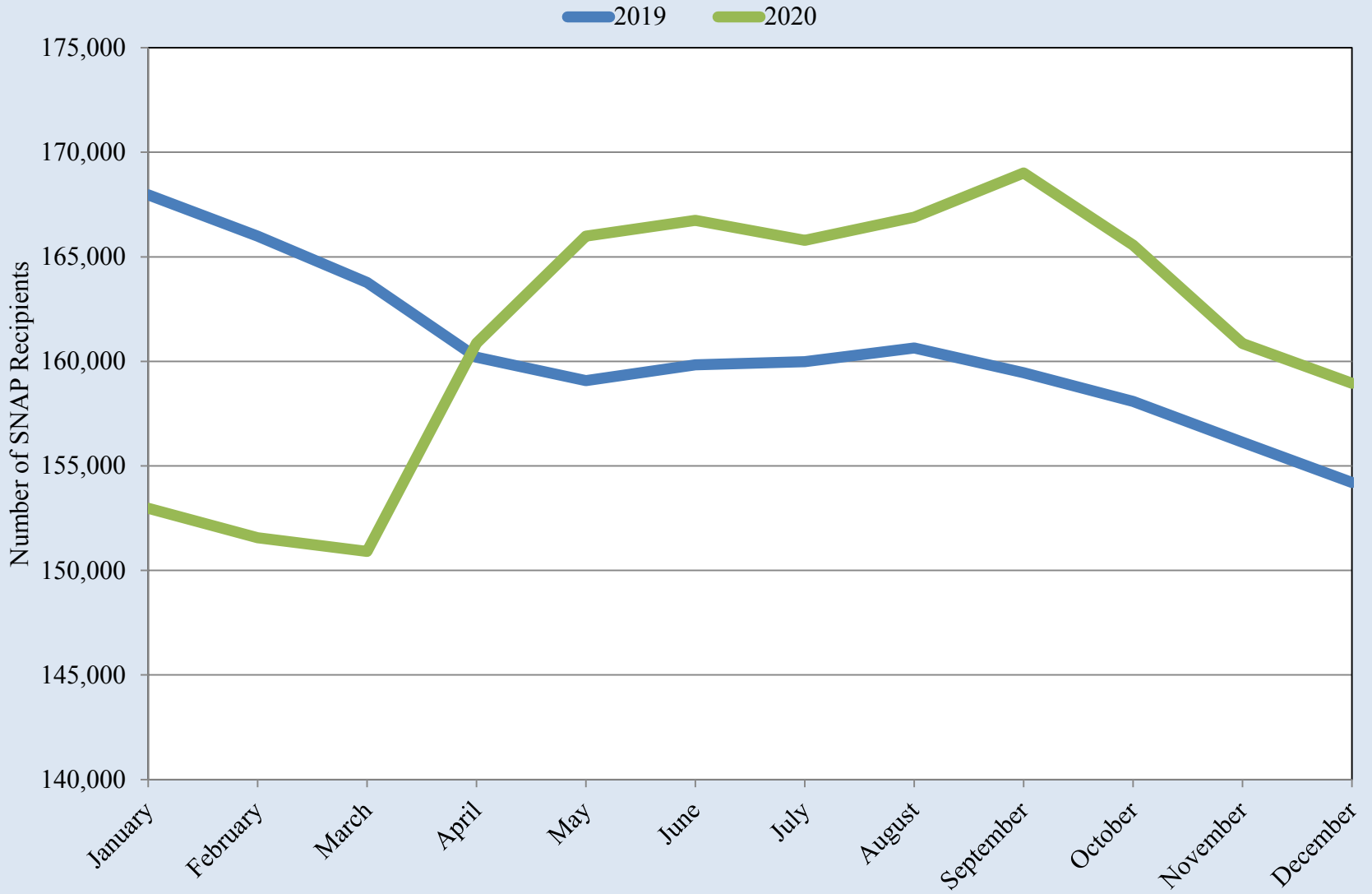


## El Paso County Unemployment Rate



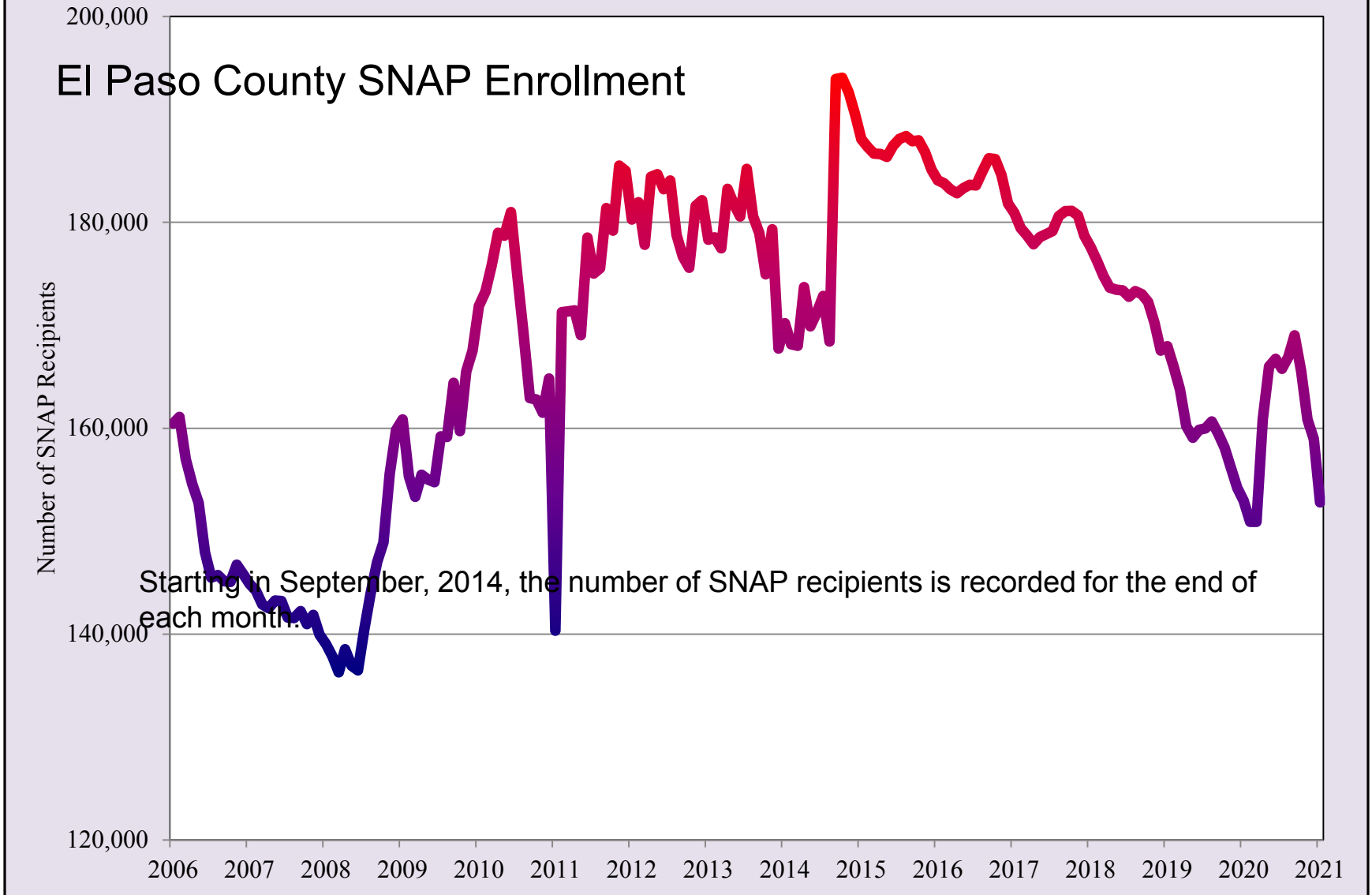
Source: Bureau of Labor Statistics

## El Paso County SNAP (Food Stamp) Enrollment



Source: Texas Health and Human Services Commission

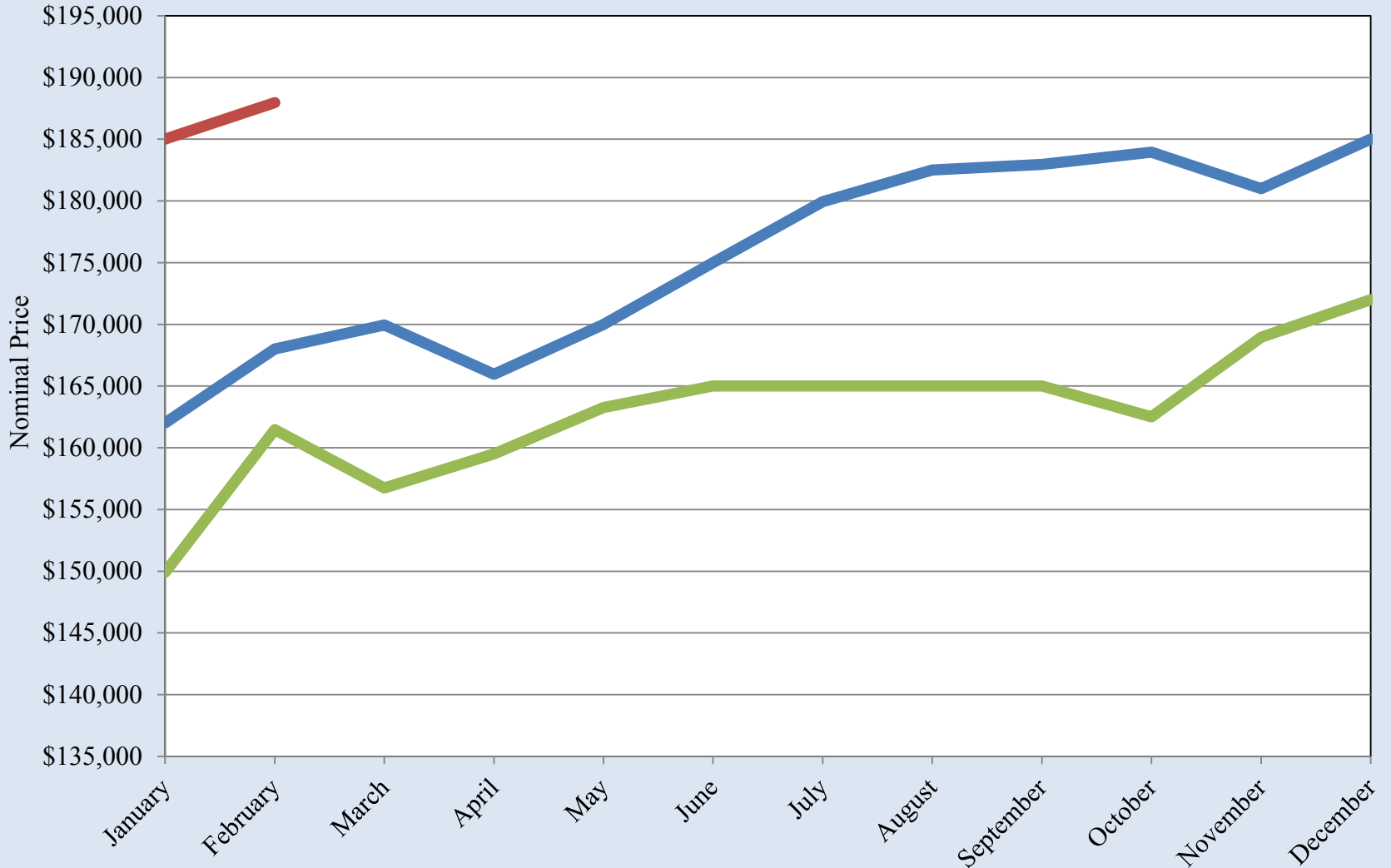
## El Paso County SNAP (Food Stamp) Enrollment



Source: Texas Health and Human Services Commission

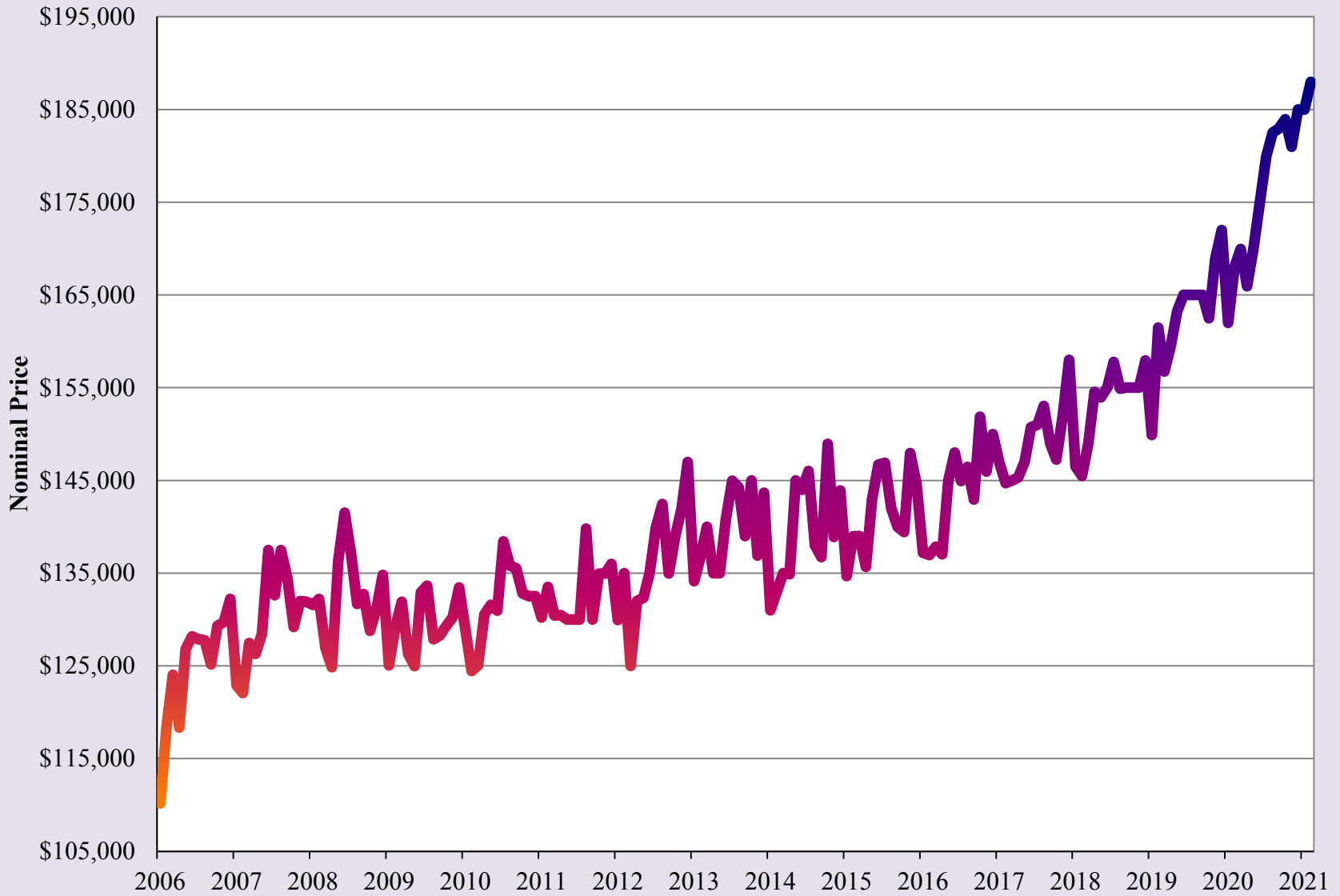
## El Paso Median Housing Prices

2019 2020 2021



Source: Texas A&M Real Estate Center

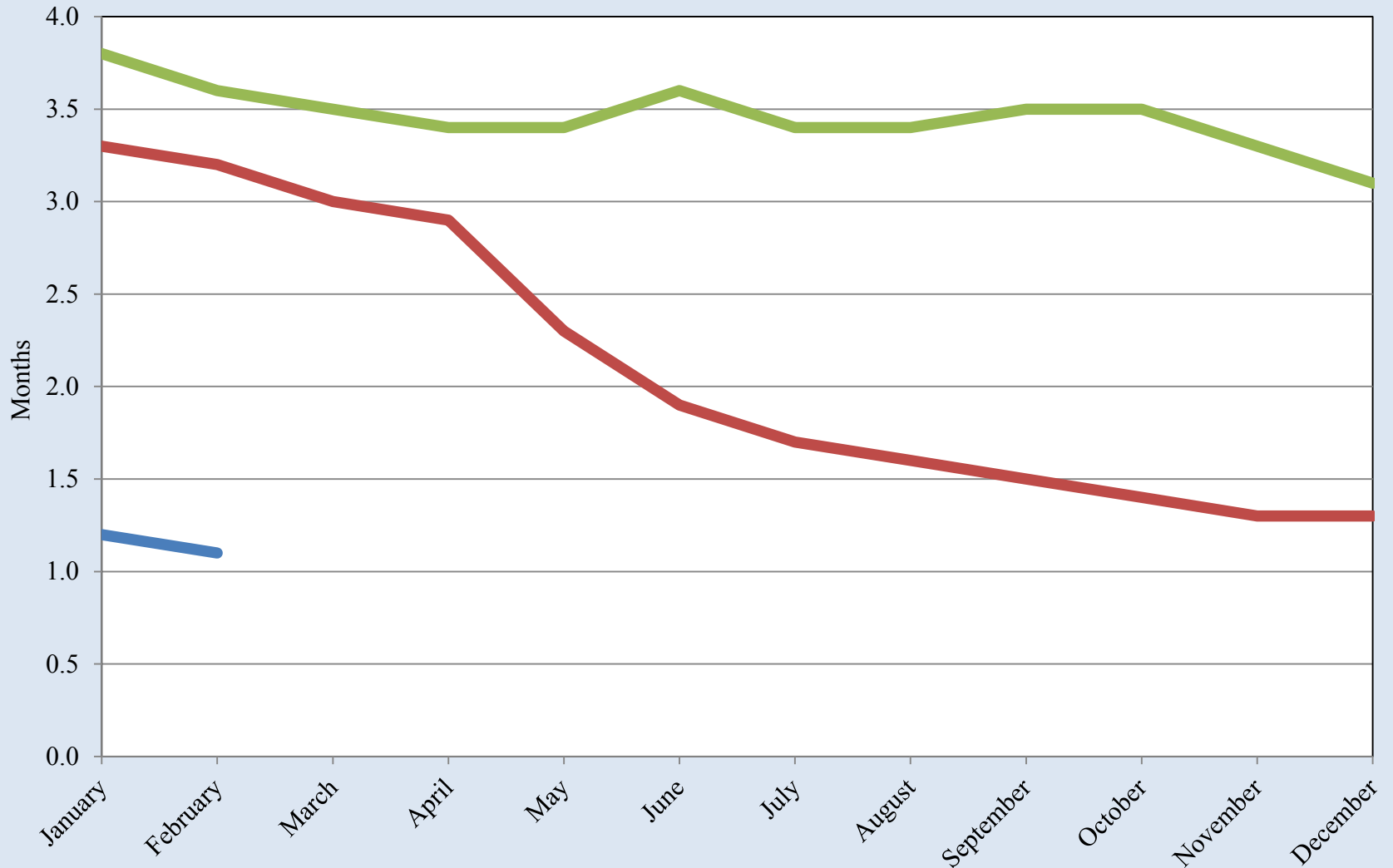
## El Paso Median Housing Prices



Source: Texas A&M Real Estate Center

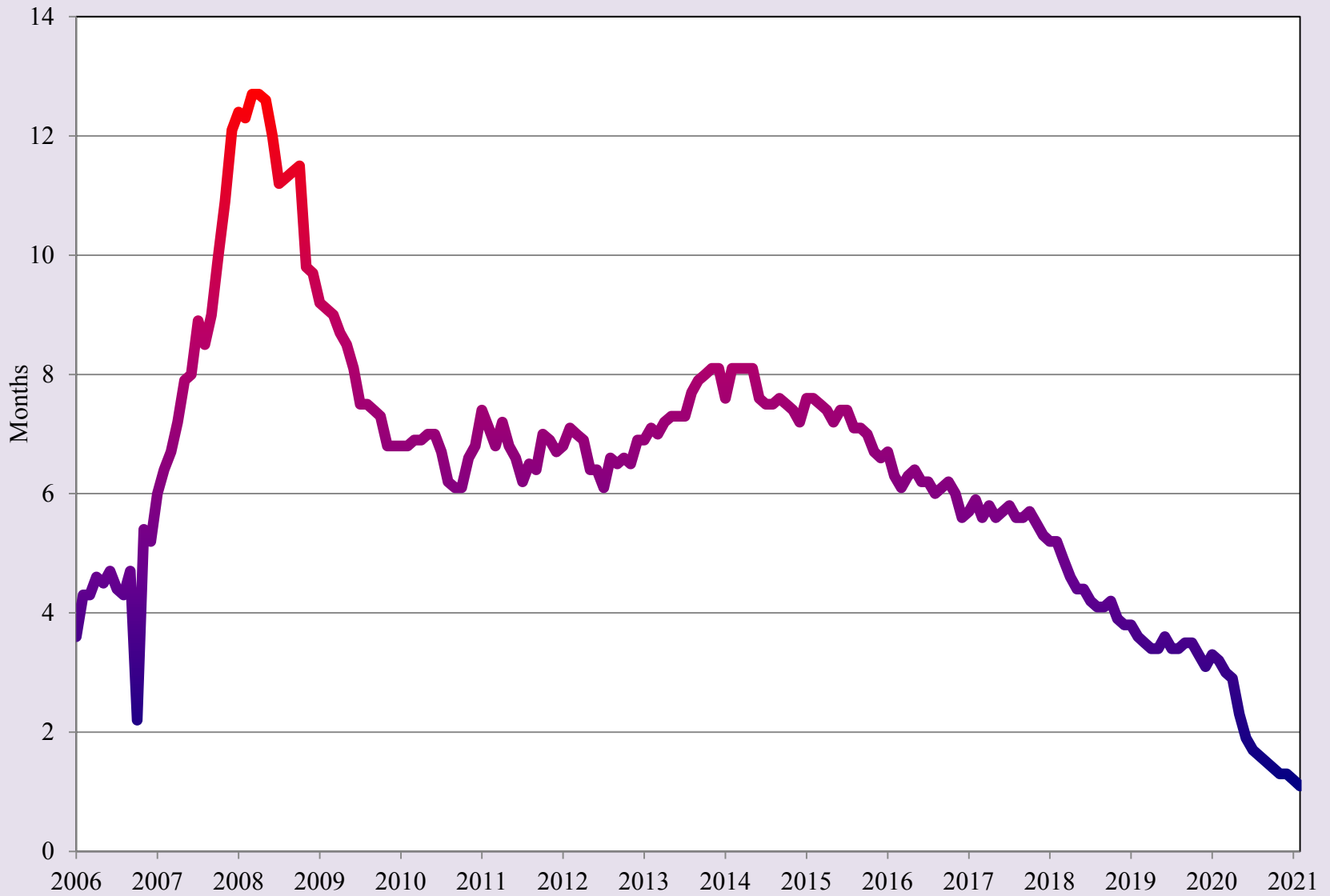
## Months of Housing Inventory for El Paso

2019 2020 2021



Source: Texas A&M Real Estate Center

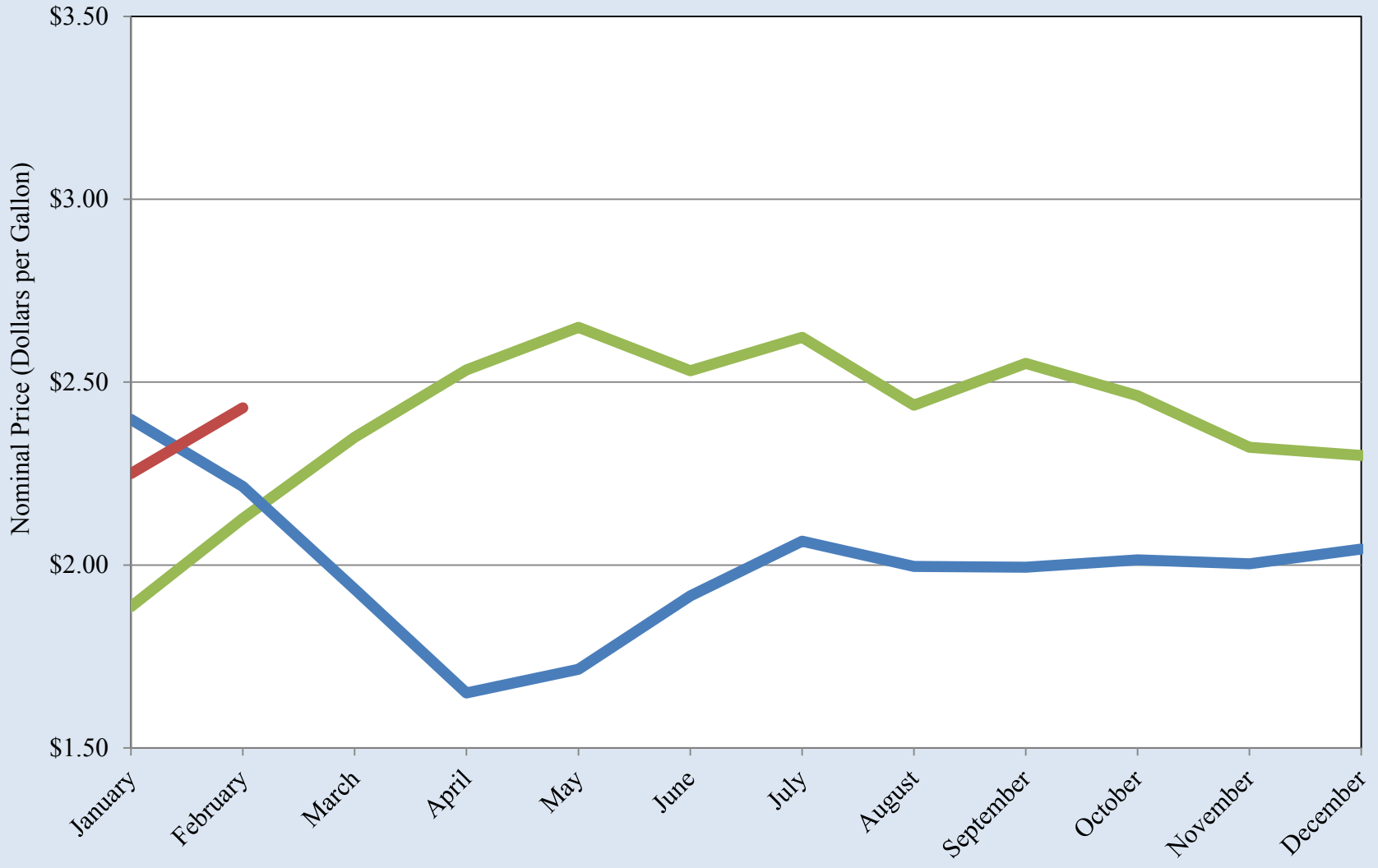
## Months of Housing Inventory for El Paso



Source: Texas A&M Real Estate Center

# El Paso Gasoline Prices

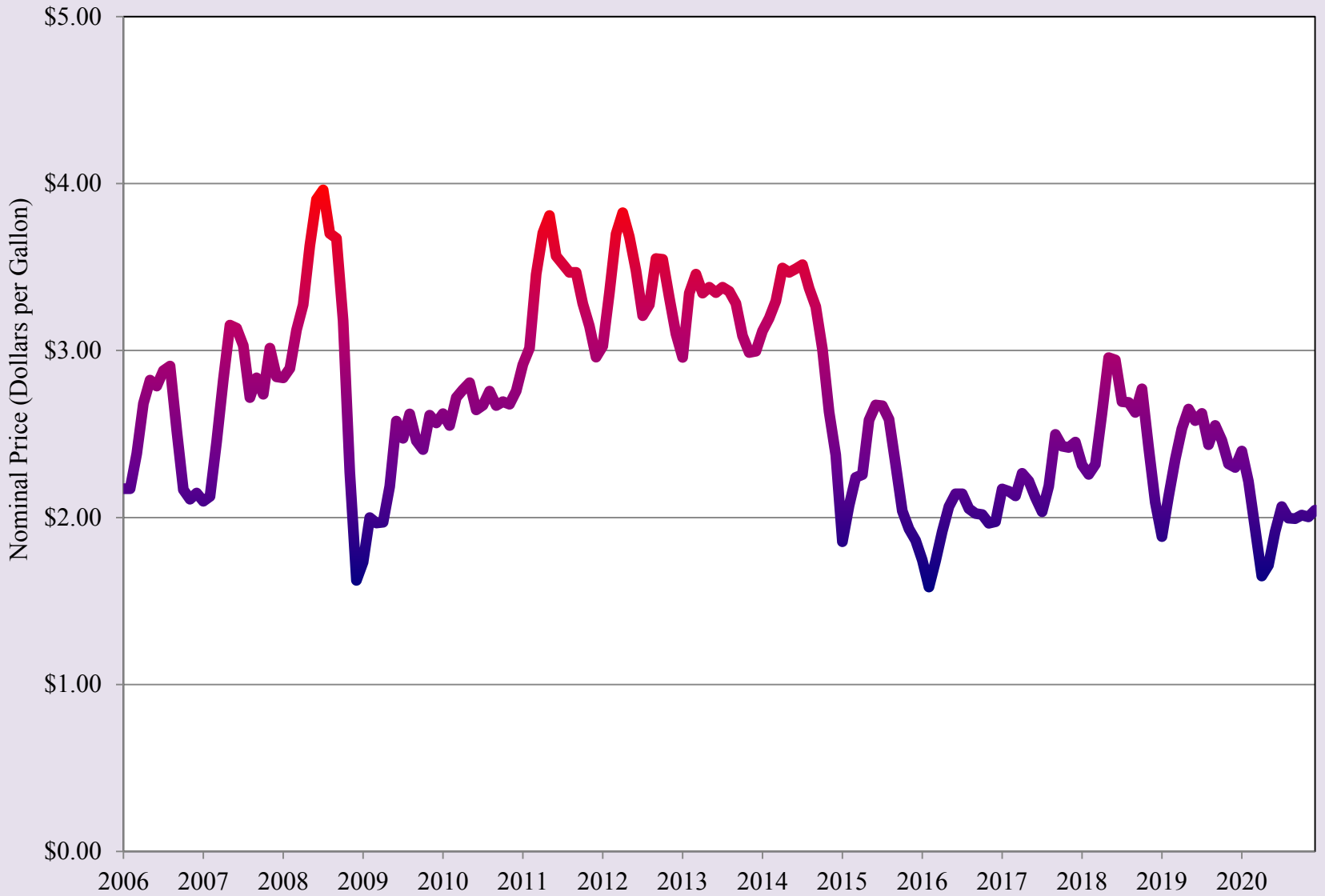
2019 2020 2021



Source: GasBuddy.com



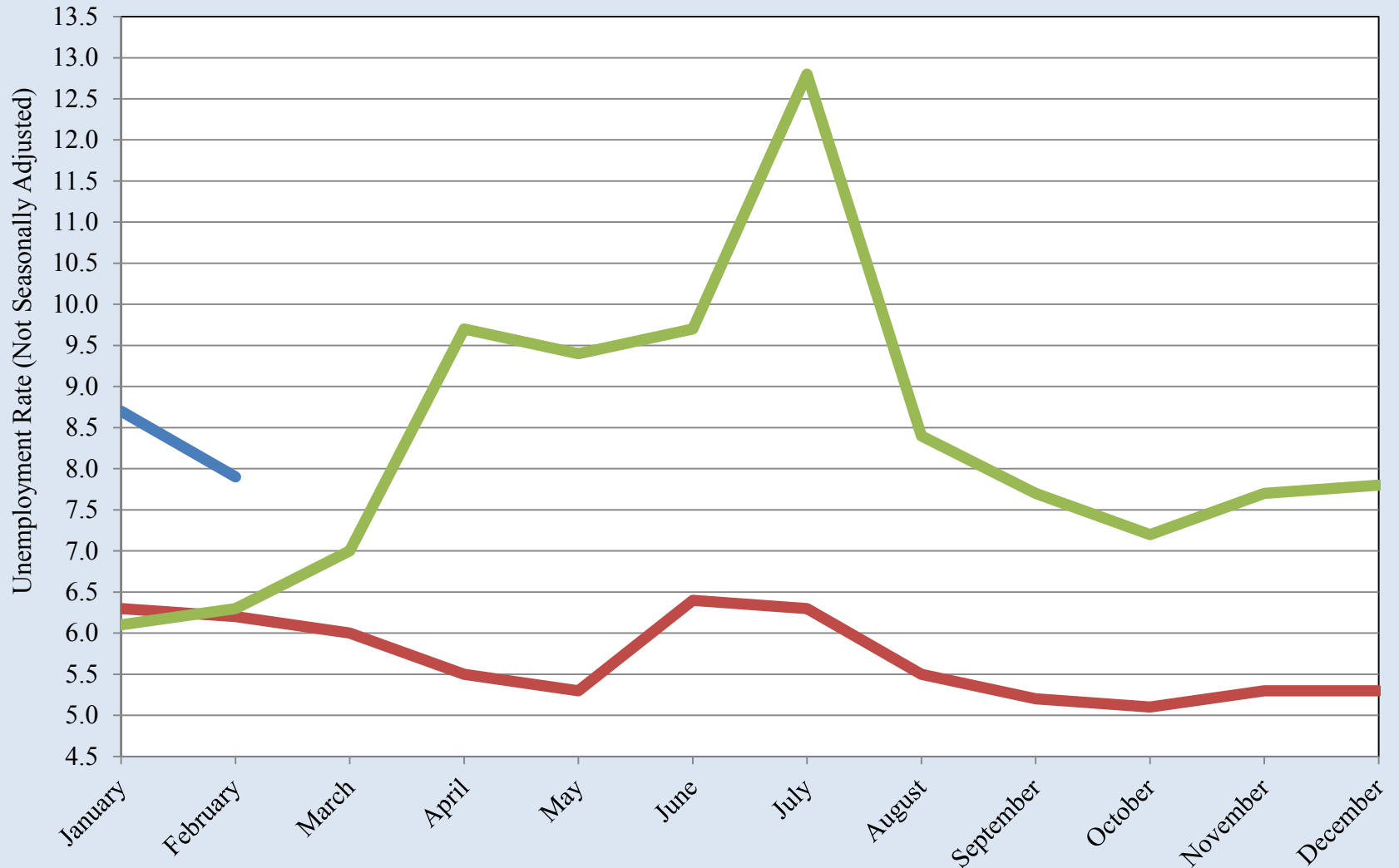
## El Paso Gasoline Prices



Source: GasBuddy.com

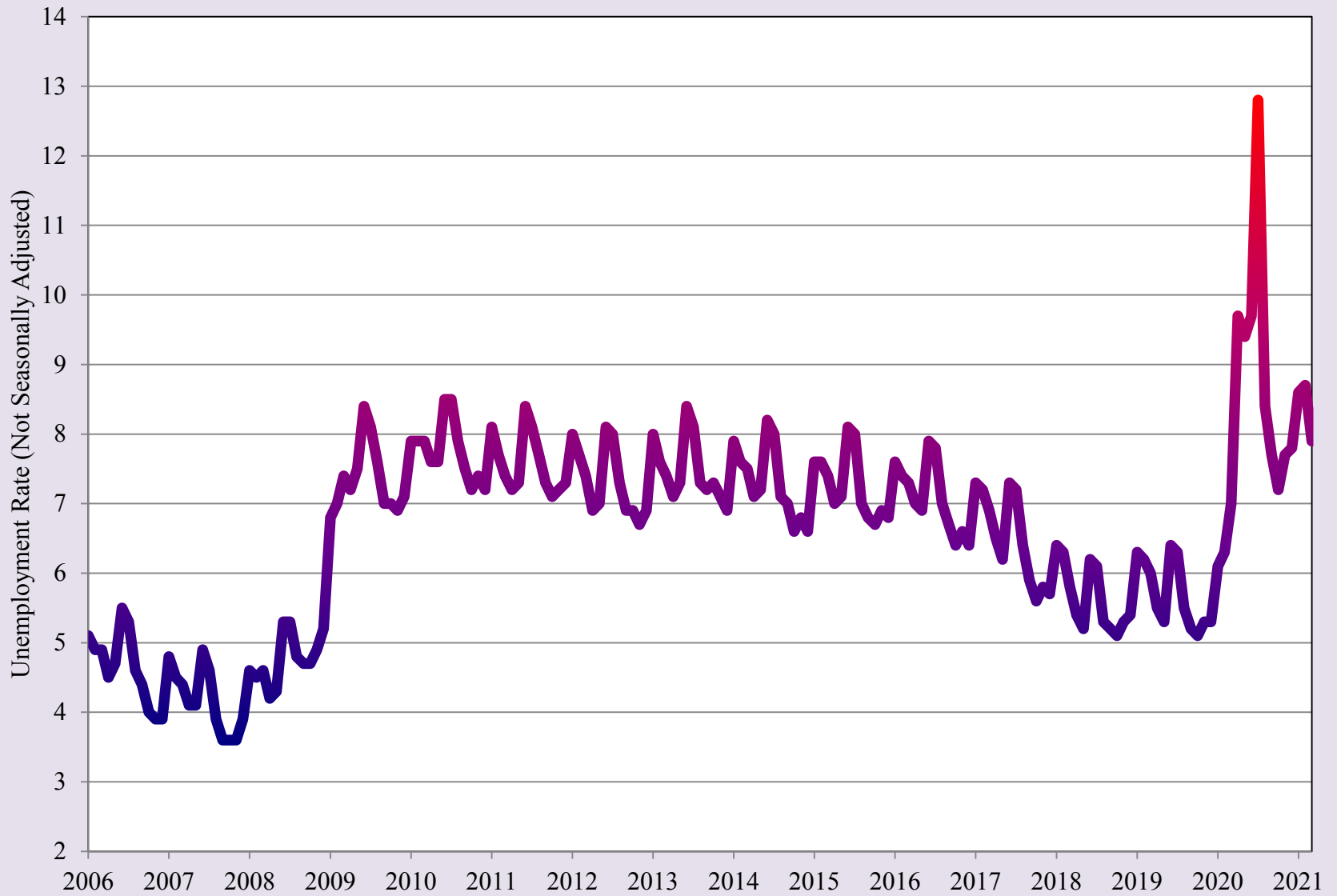
## Doña Ana County Unemployment Rate

2019 2020 2021



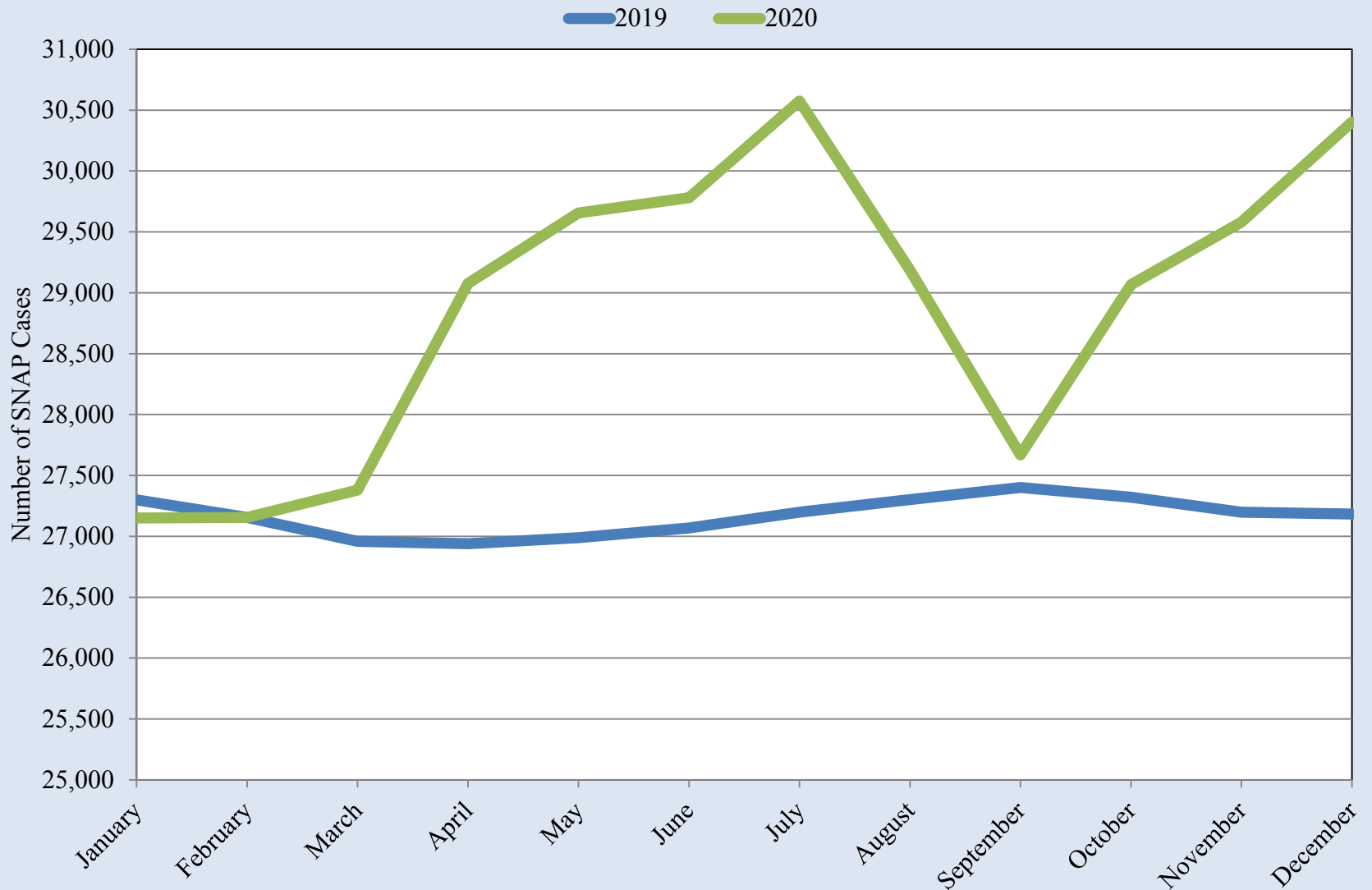
Source: Bureau of Labor Statistics

## Doña Ana County Unemployment Rate



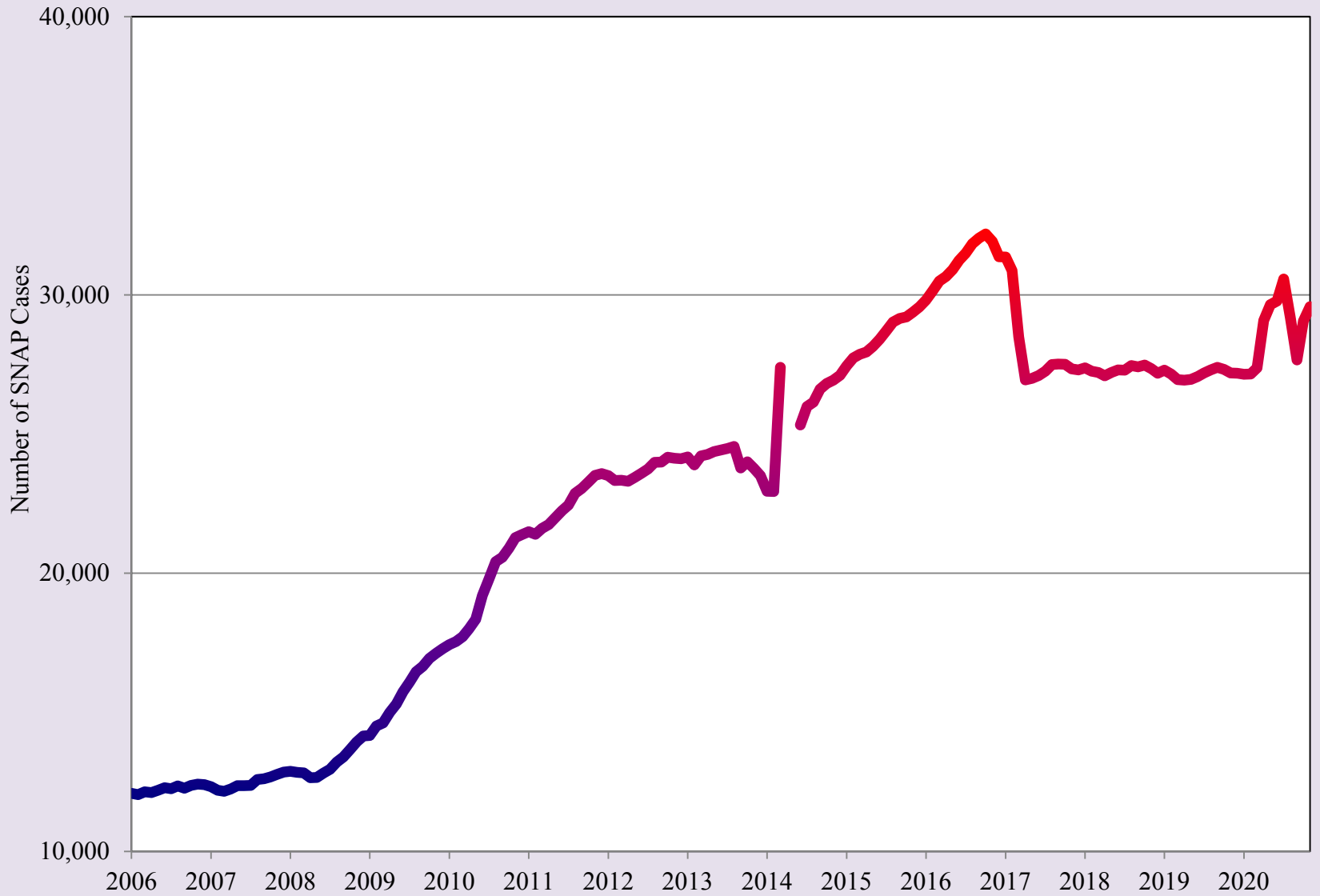
Source: Bureau of Labor Statistics

## Las Cruces Area SNAP (Food Stamp) Cases



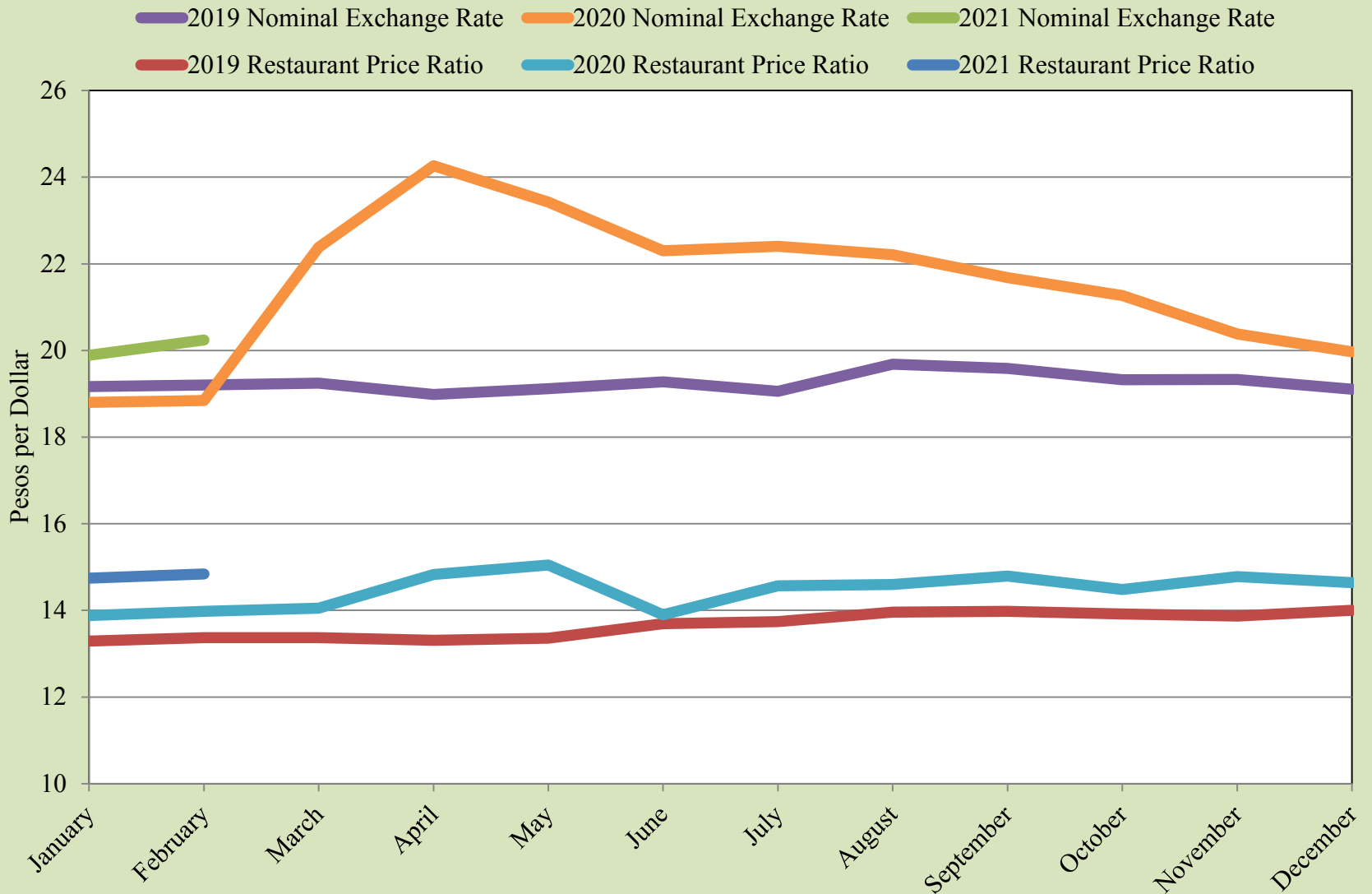
Source: New Mexico Human Services Department

## Las Cruces Area SNAP (Food Stamp) Cases



Source: New Mexico Human Services Department

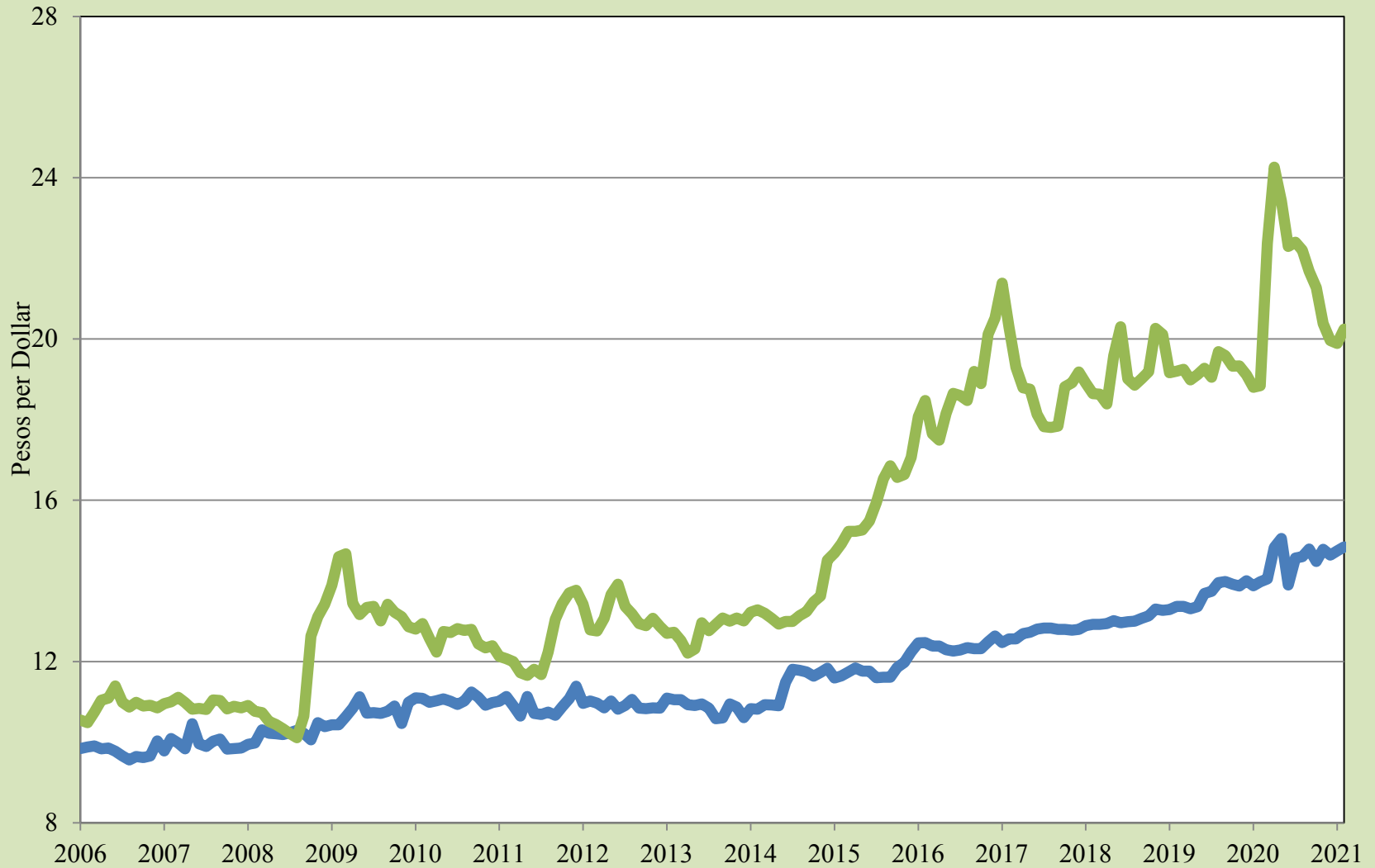
## Restaurant Price Ratio and Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

## Restaurant Price Ratio and Exchange Rate

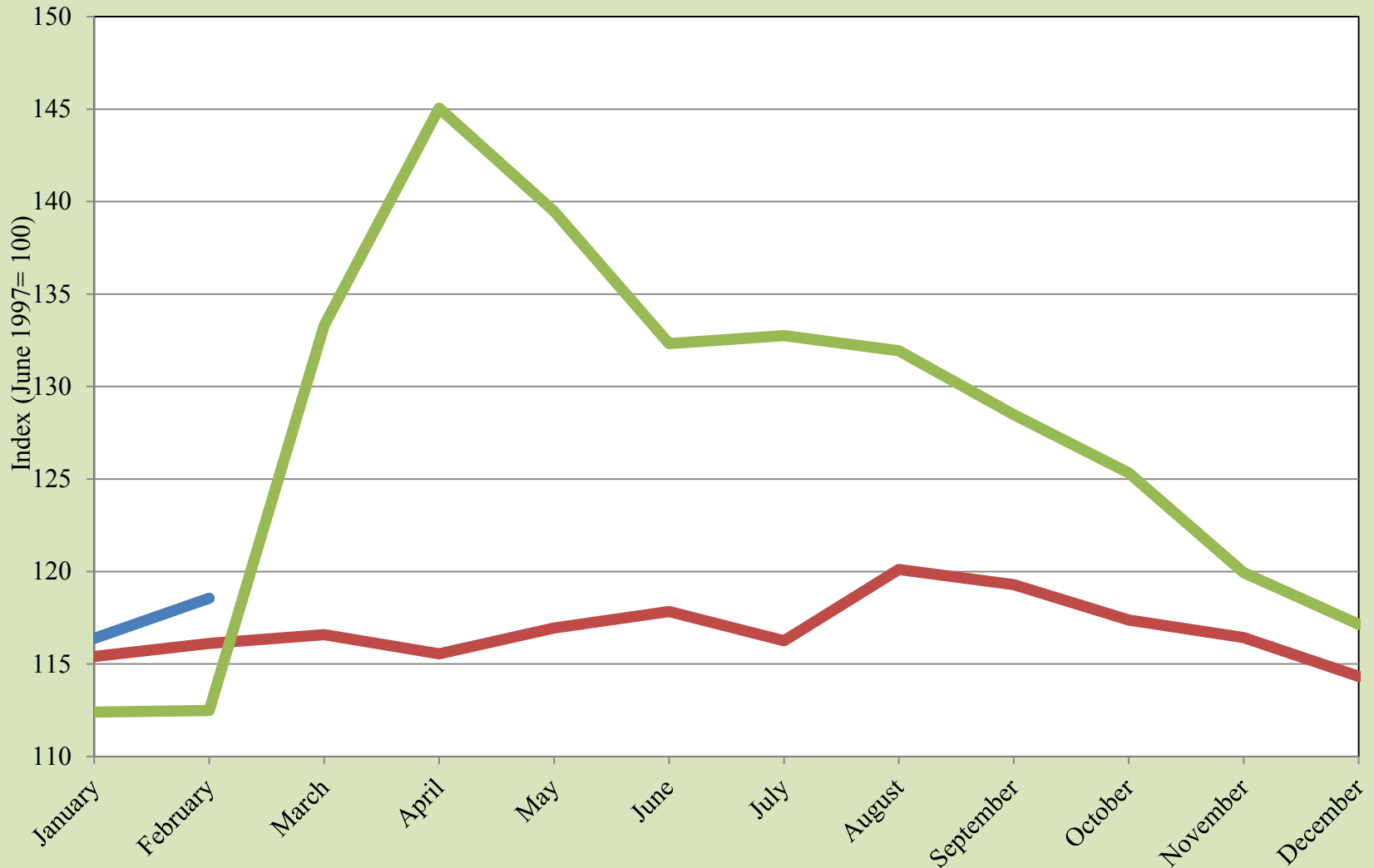
Price Ratio Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

## Real Peso-per-Dollar Exchange Rate Index

— 2019 — 2020 — 2021



Source: UTEP Border Region Modeling Project

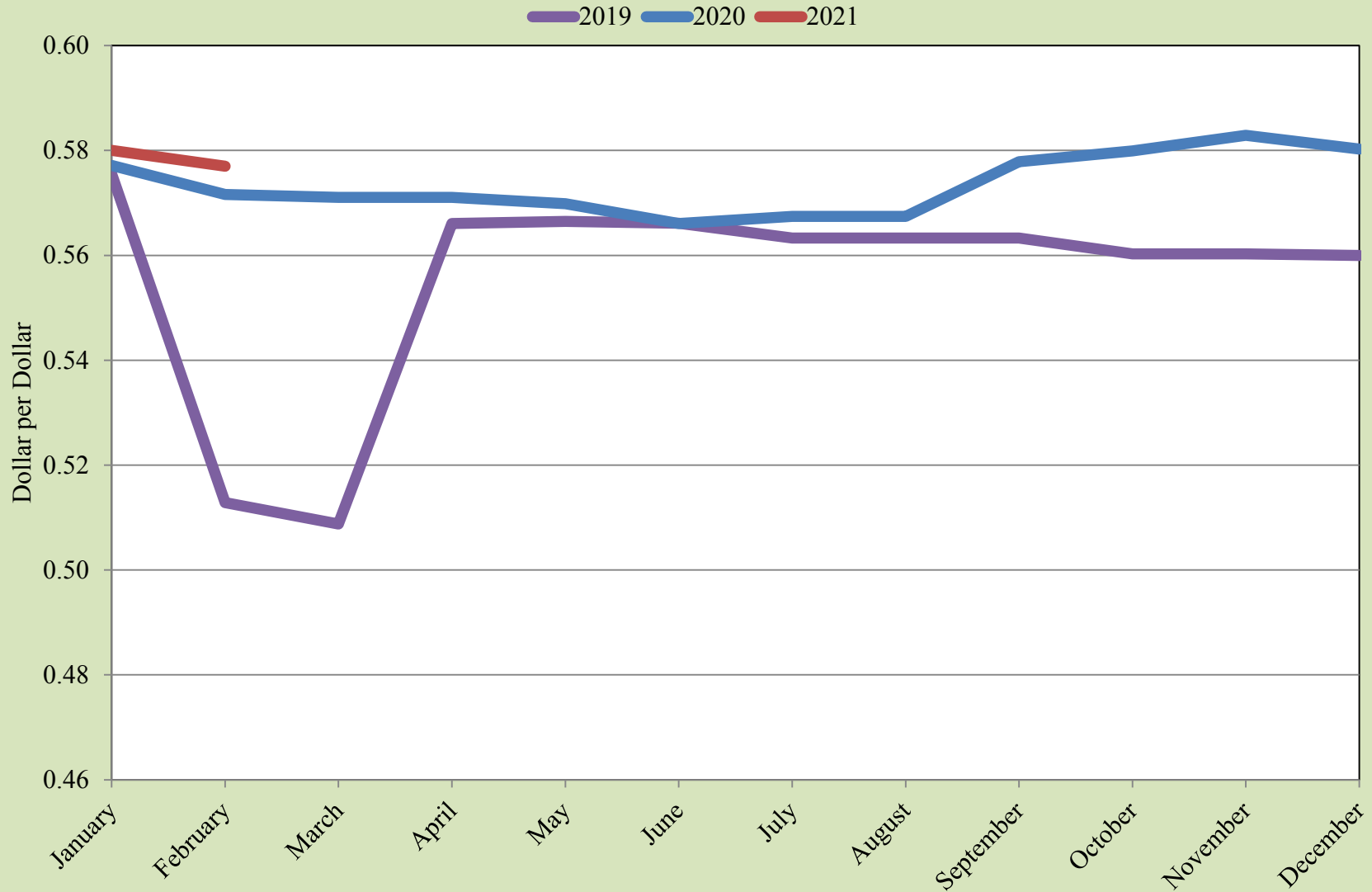


## Real Peso-per-Dollar Exchange Rate Index



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)

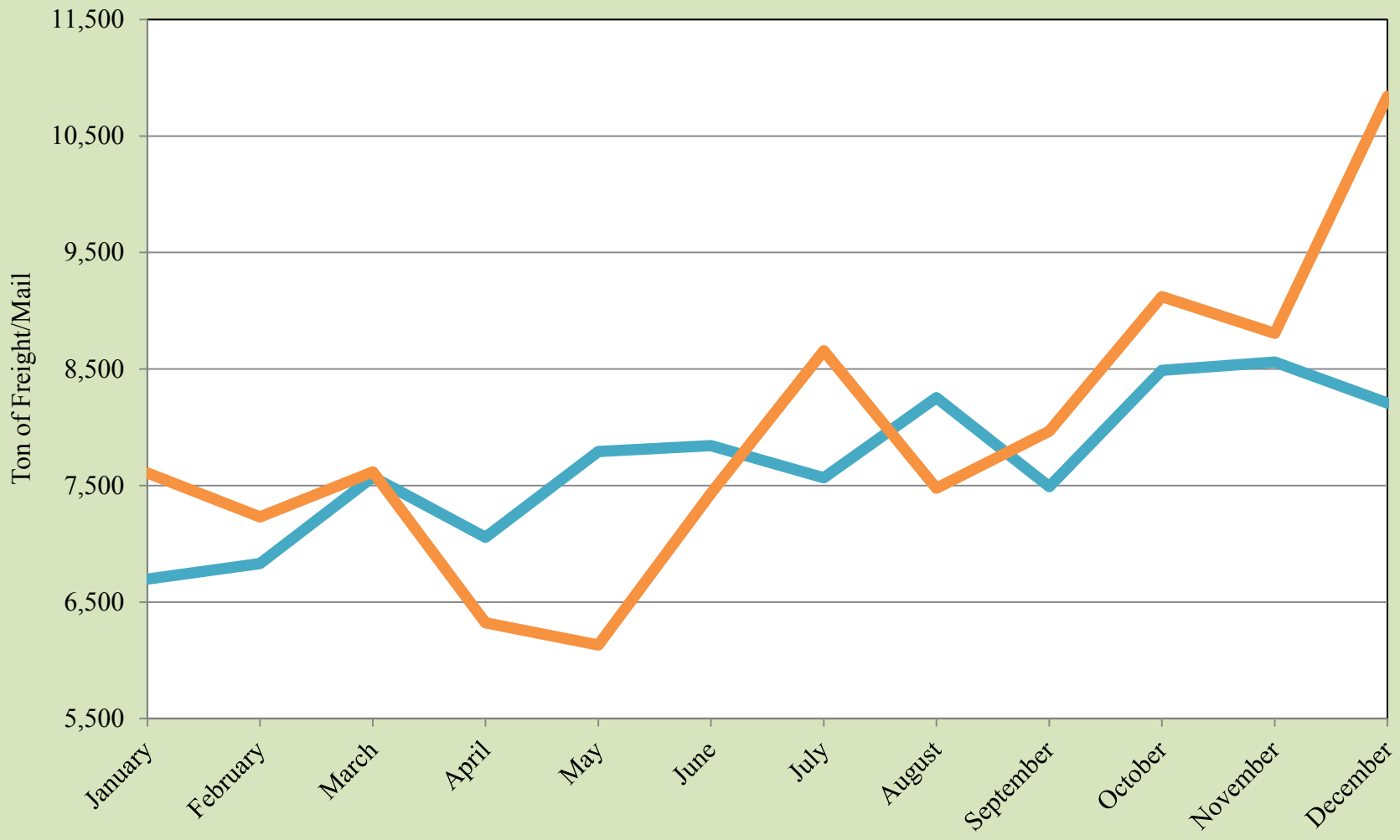
## Pharmaceutical Nominal Price Ratio in the USA and Mexico



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

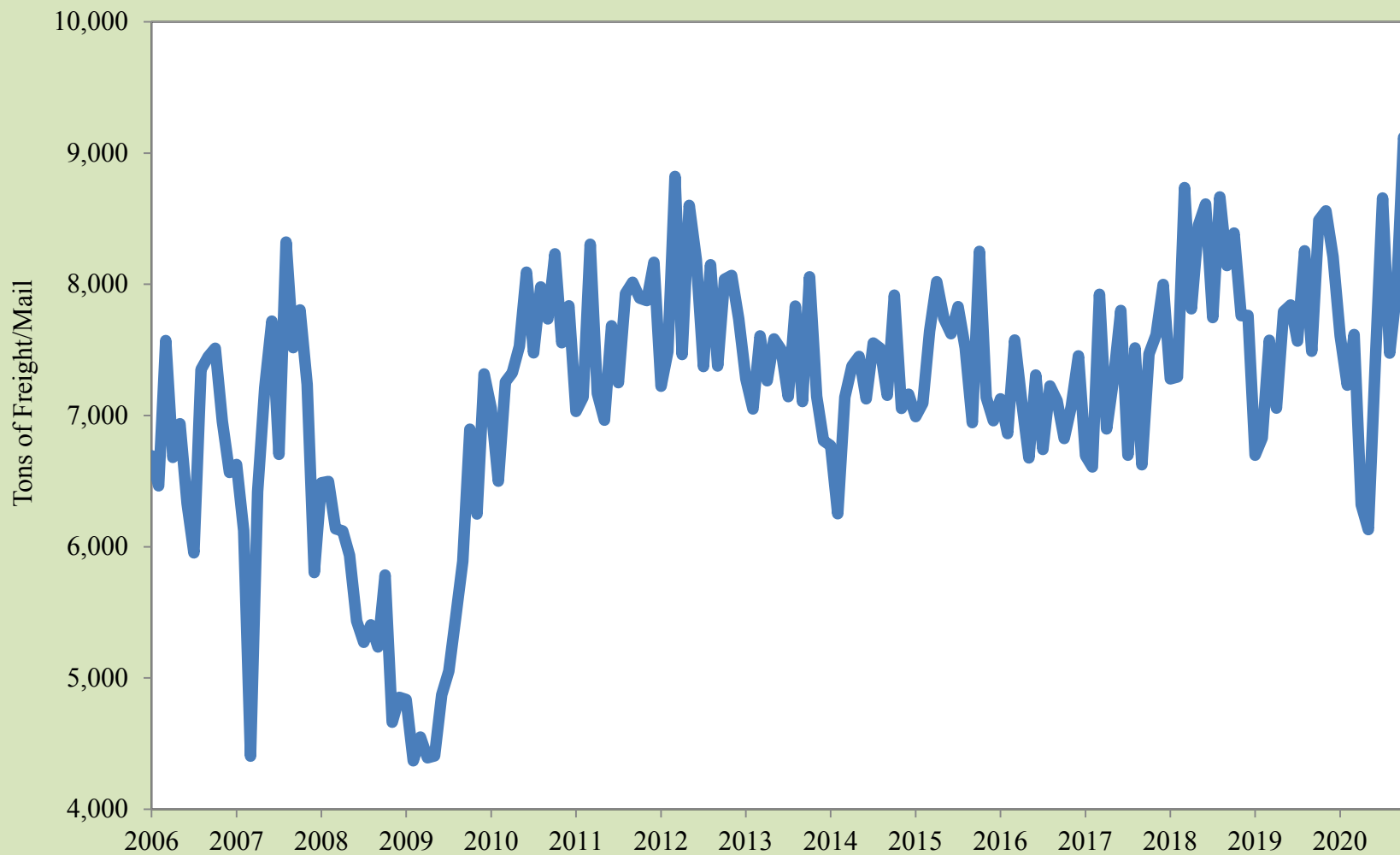
Total 2019 Total 2020



Source: EPIA Operations

# EPIA Freight and Mail

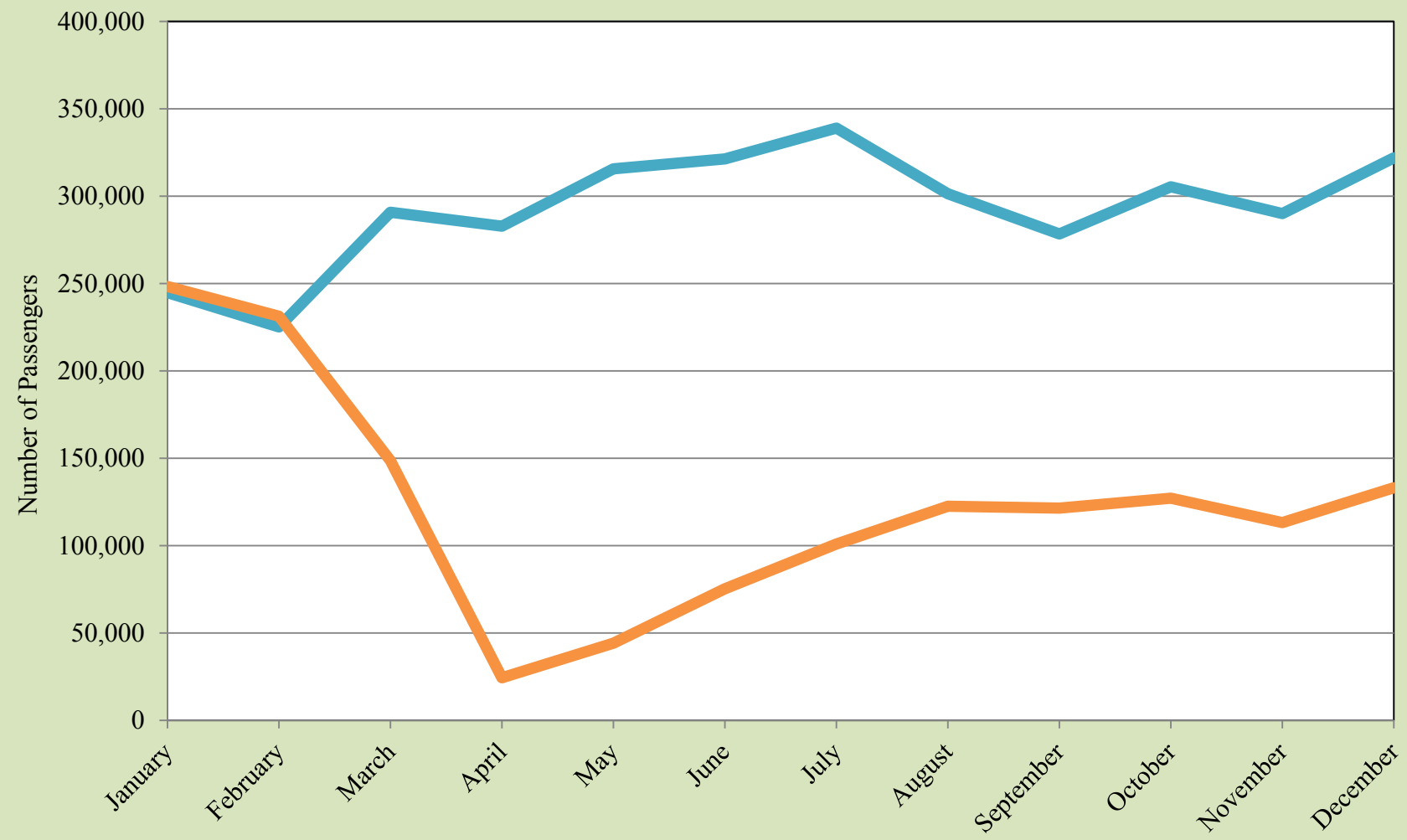
Inbound+Outbound



Source: EPIA Operations

# EPIA Passengers

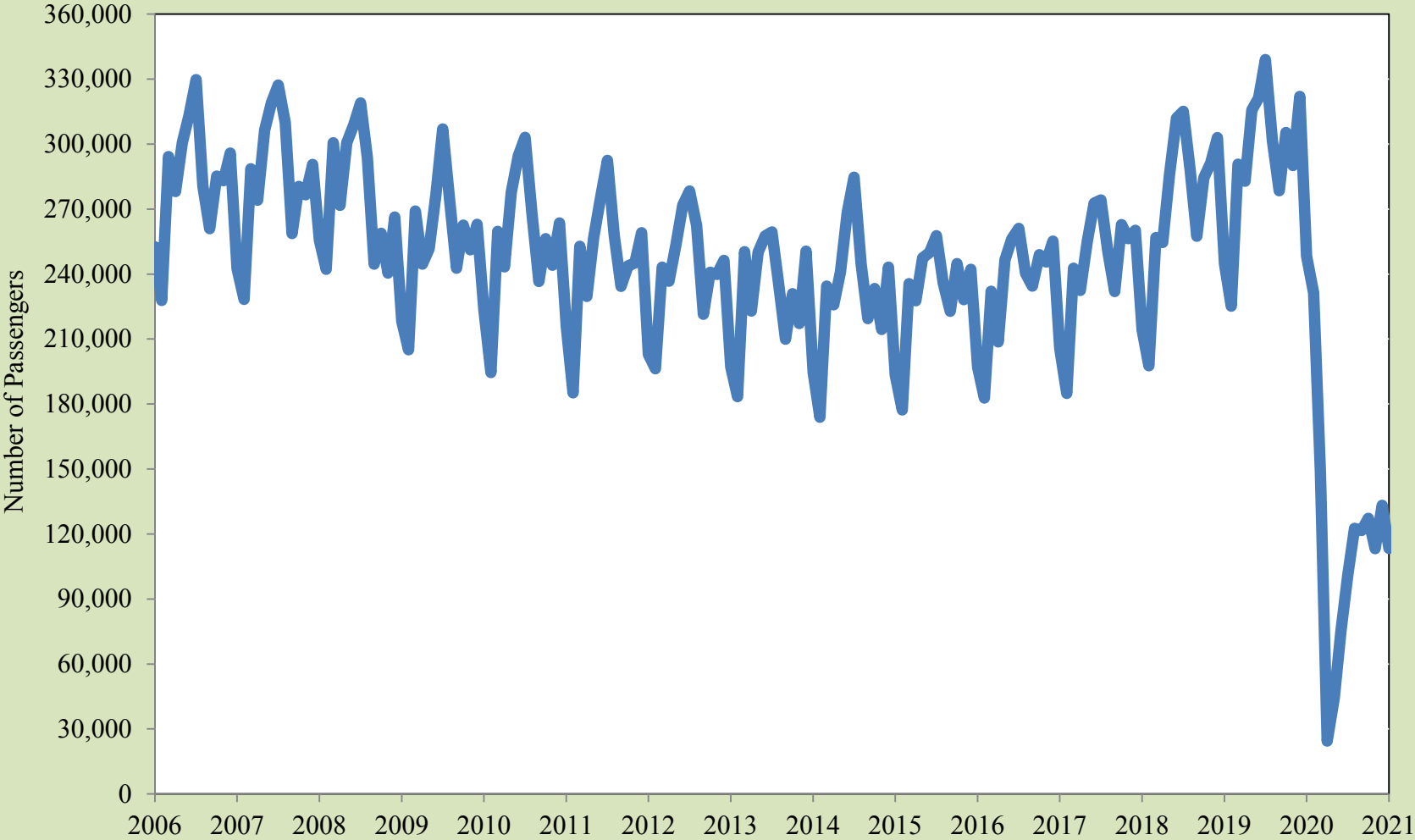
EPIA 2019 EPIA 2020



Source: EPIA Operations

# EPIA Passengers

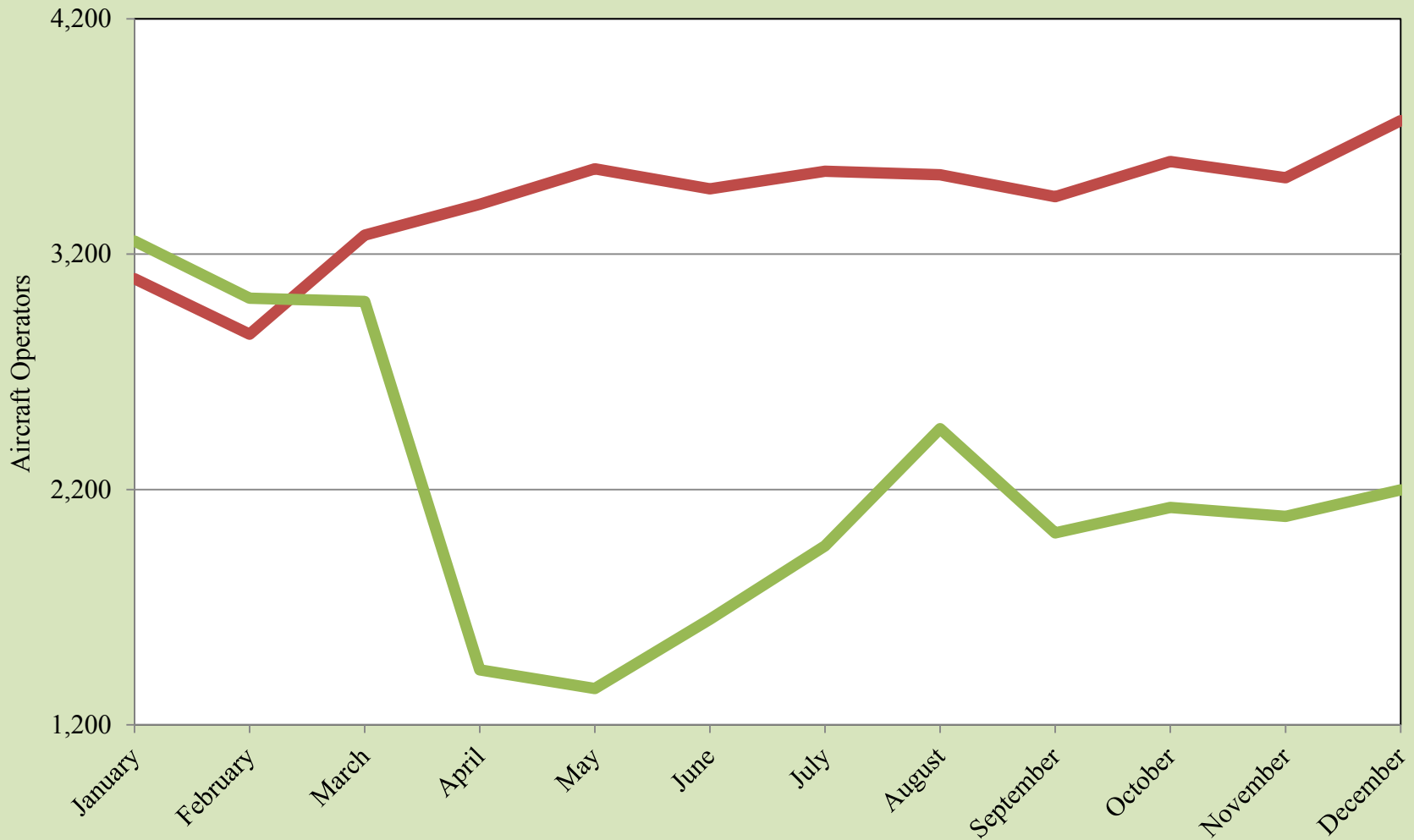
Inbound+Outbound



Source: EPIA Operations

# EPIA Air Carrier Operations

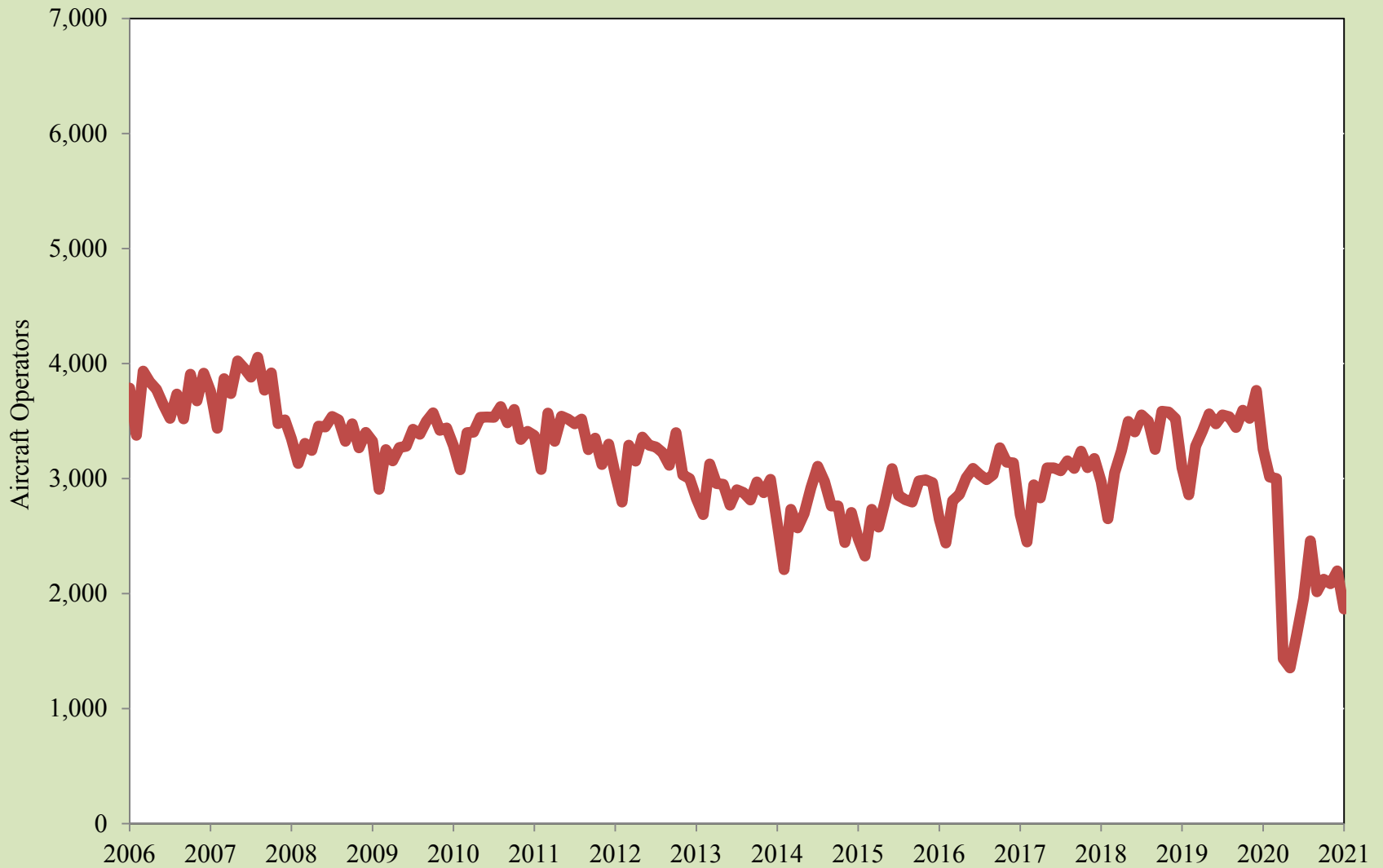
Air Carrier Operations 2019      Air Carrier Operations 2020



Source: EPIA Operations

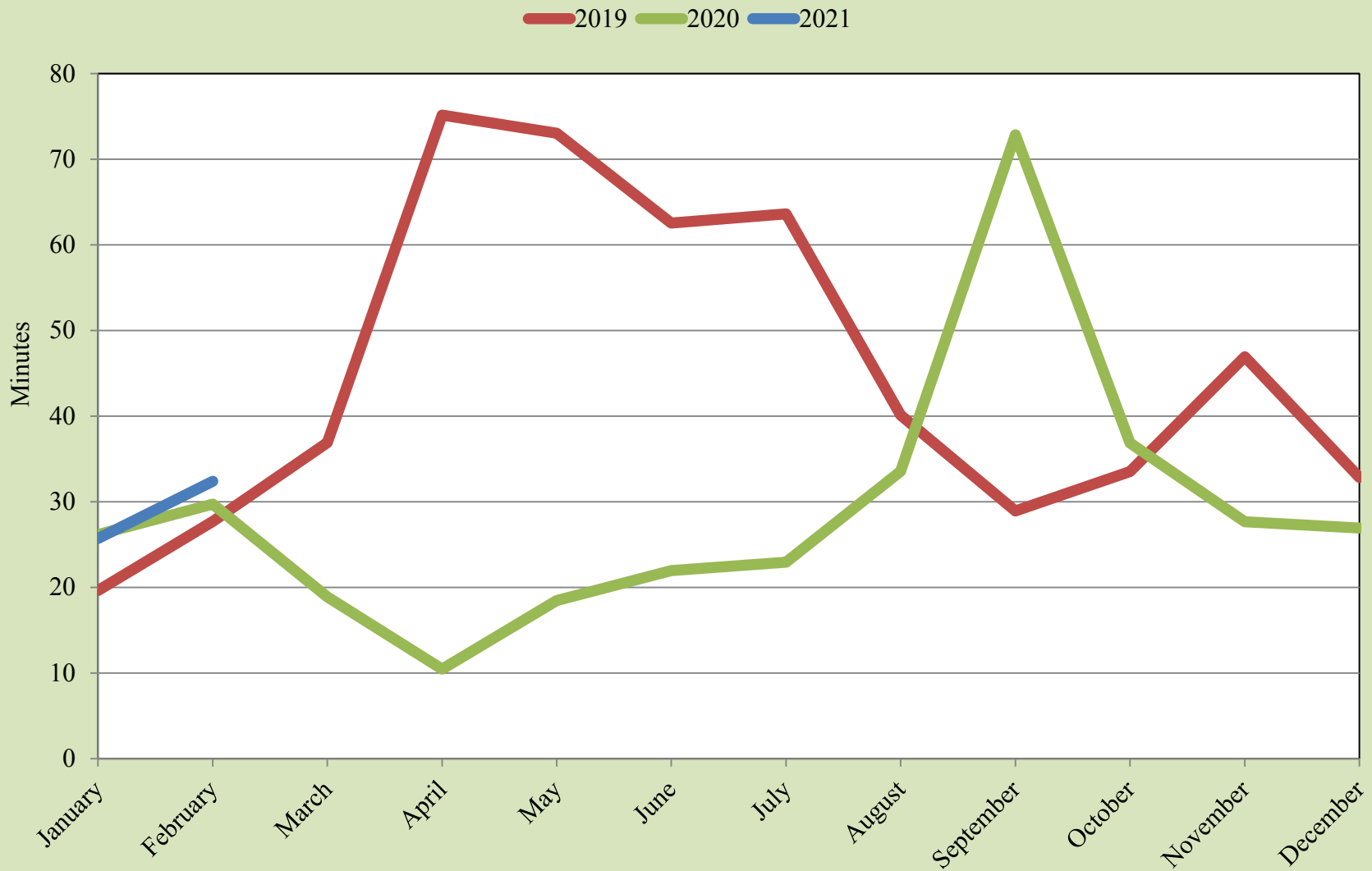


## EPIA Air Carrier Operations



Source: EPIA Operations

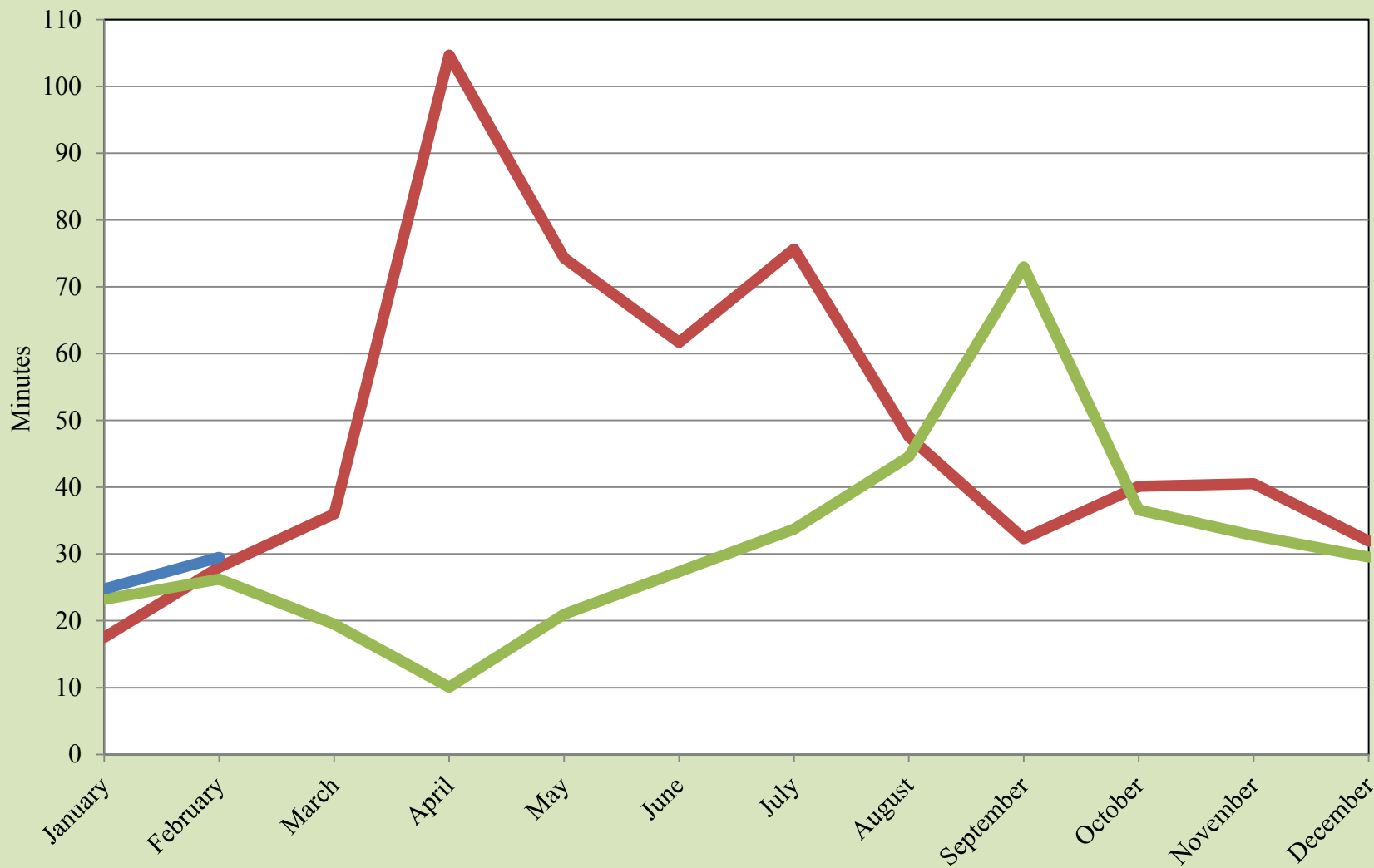
## Paso del Norte Monthly Wait Times



Source: UTEP Border Region Modeling Project

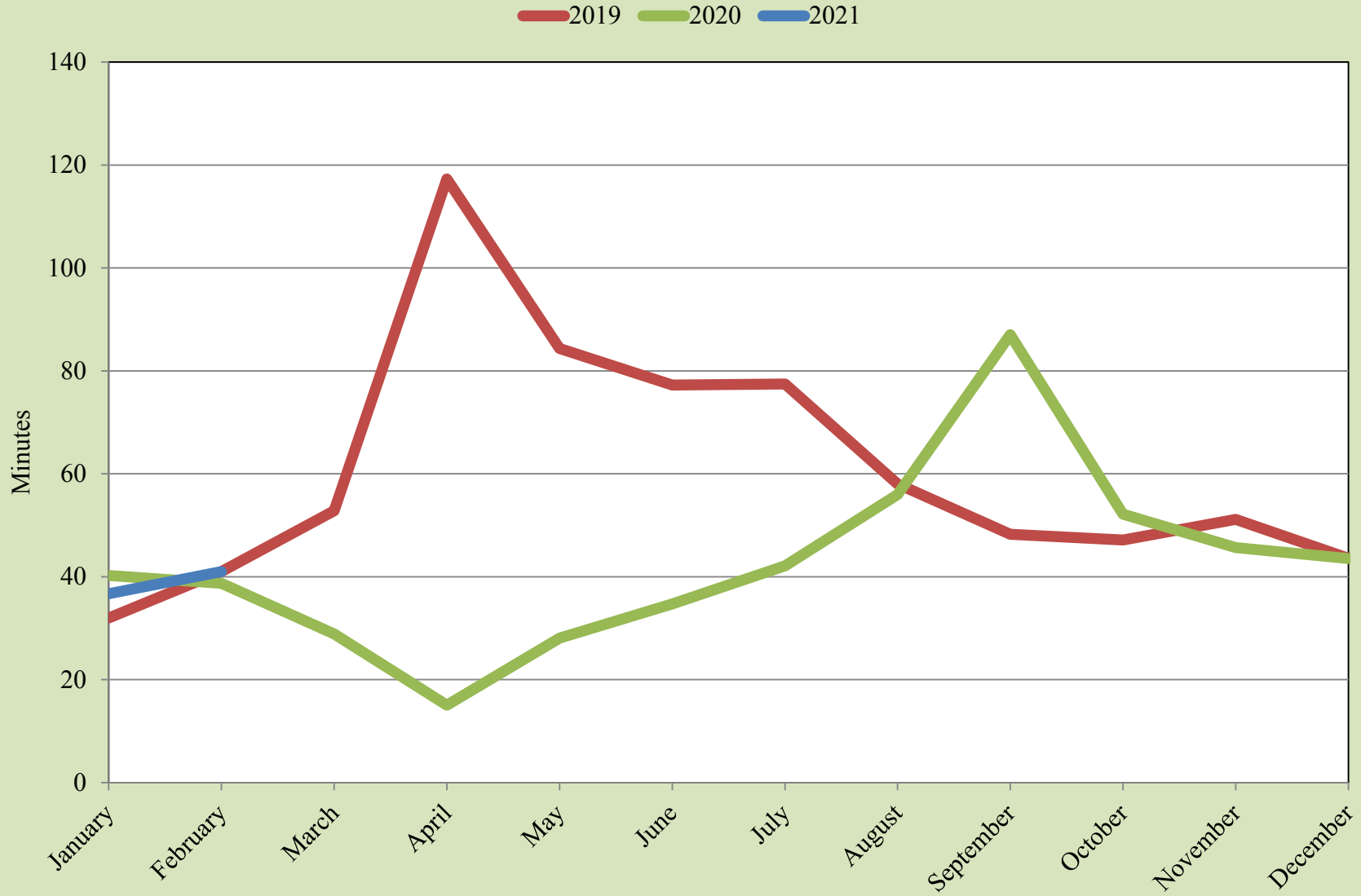
## Ysleta Monthly Wait Times

— 2019 — 2020 — 2021



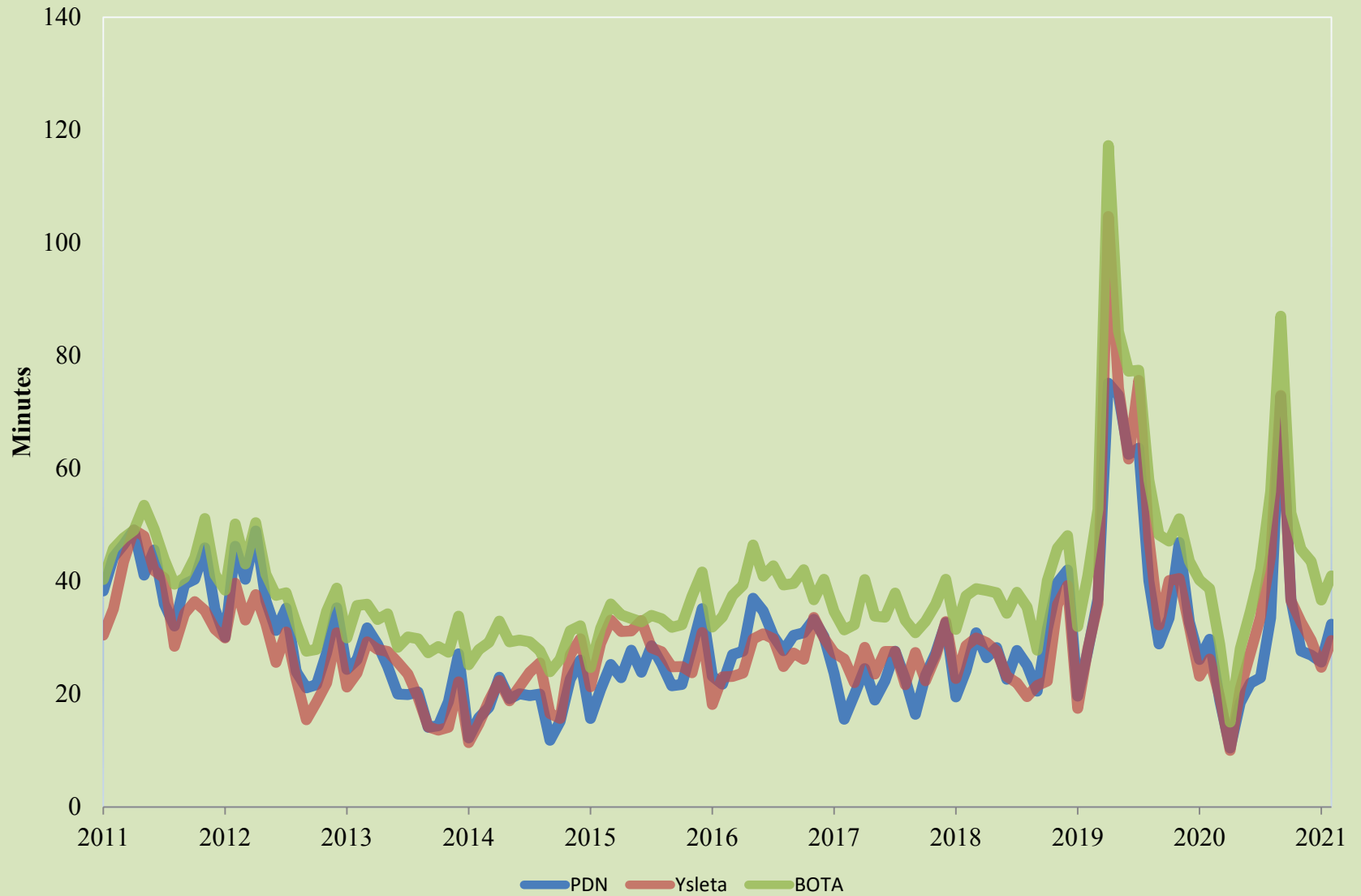
Source: UTEP Border Region Modeling Project

## Bridge of the Americas Monthly Wait Times



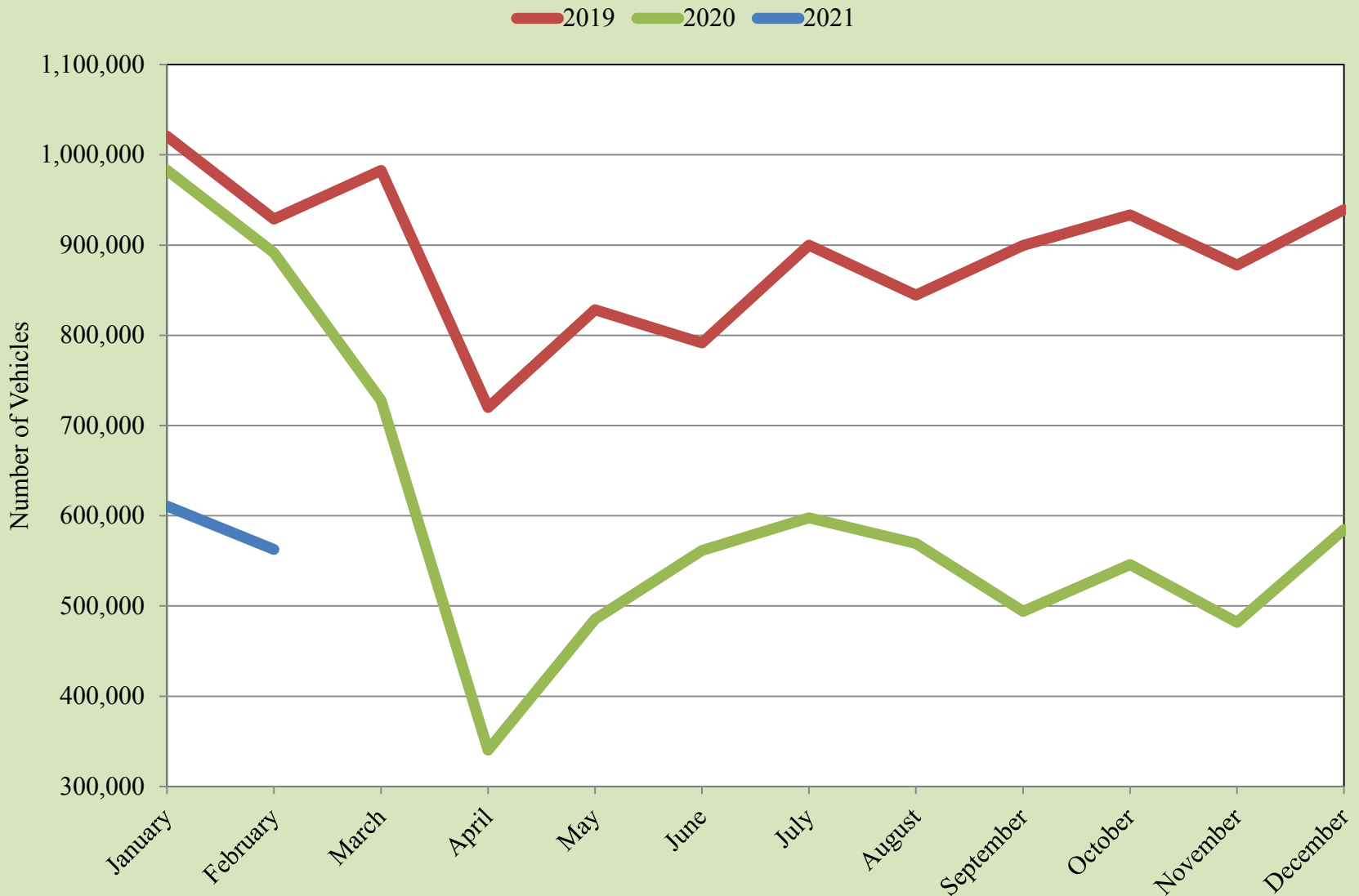
Source: UTEP Border Region Modeling Project

## 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

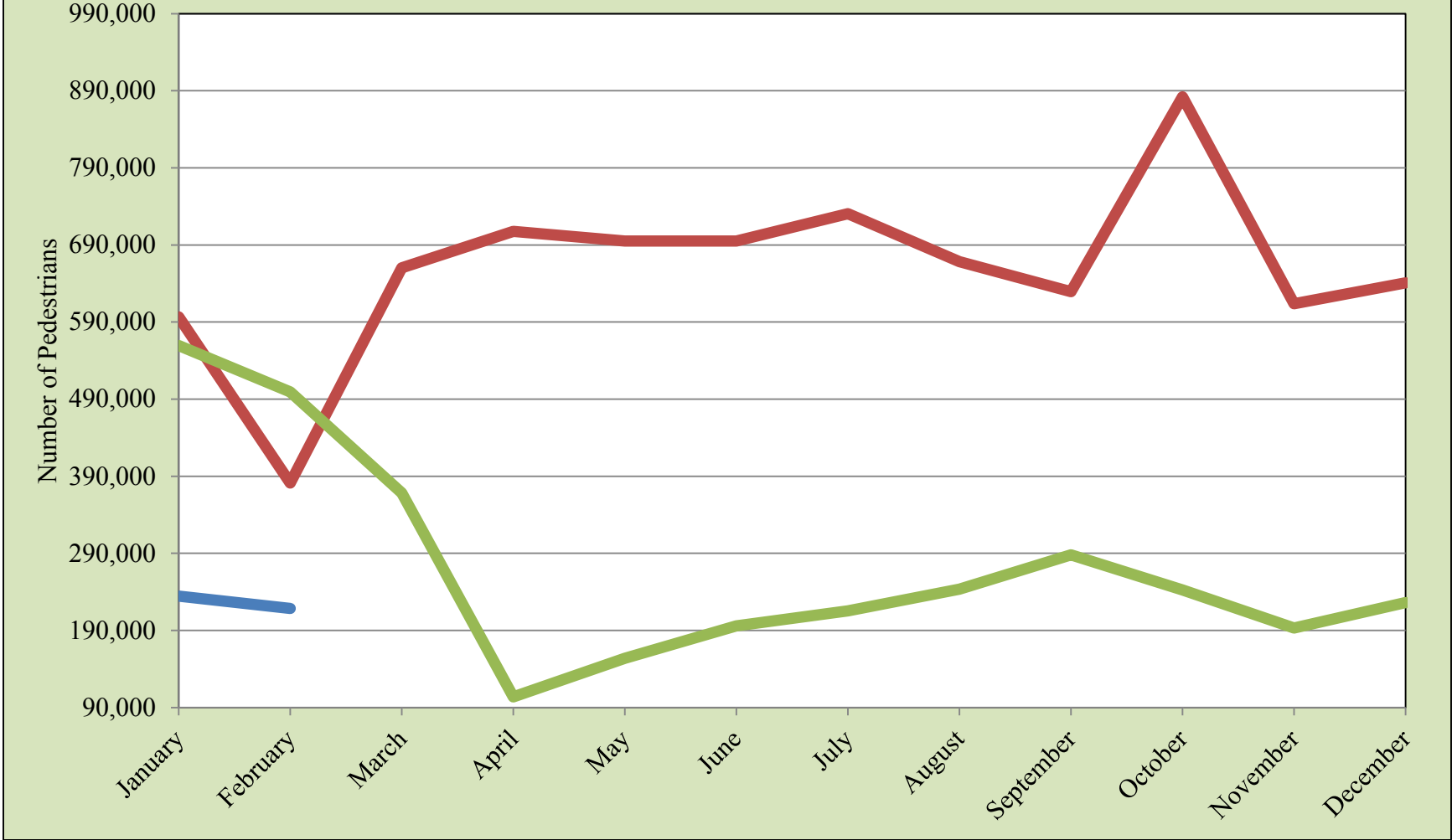
## Personal Vehicle International Bridge Crossings to El Paso



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

# Pedestrian International Bridge Crossings to El Paso

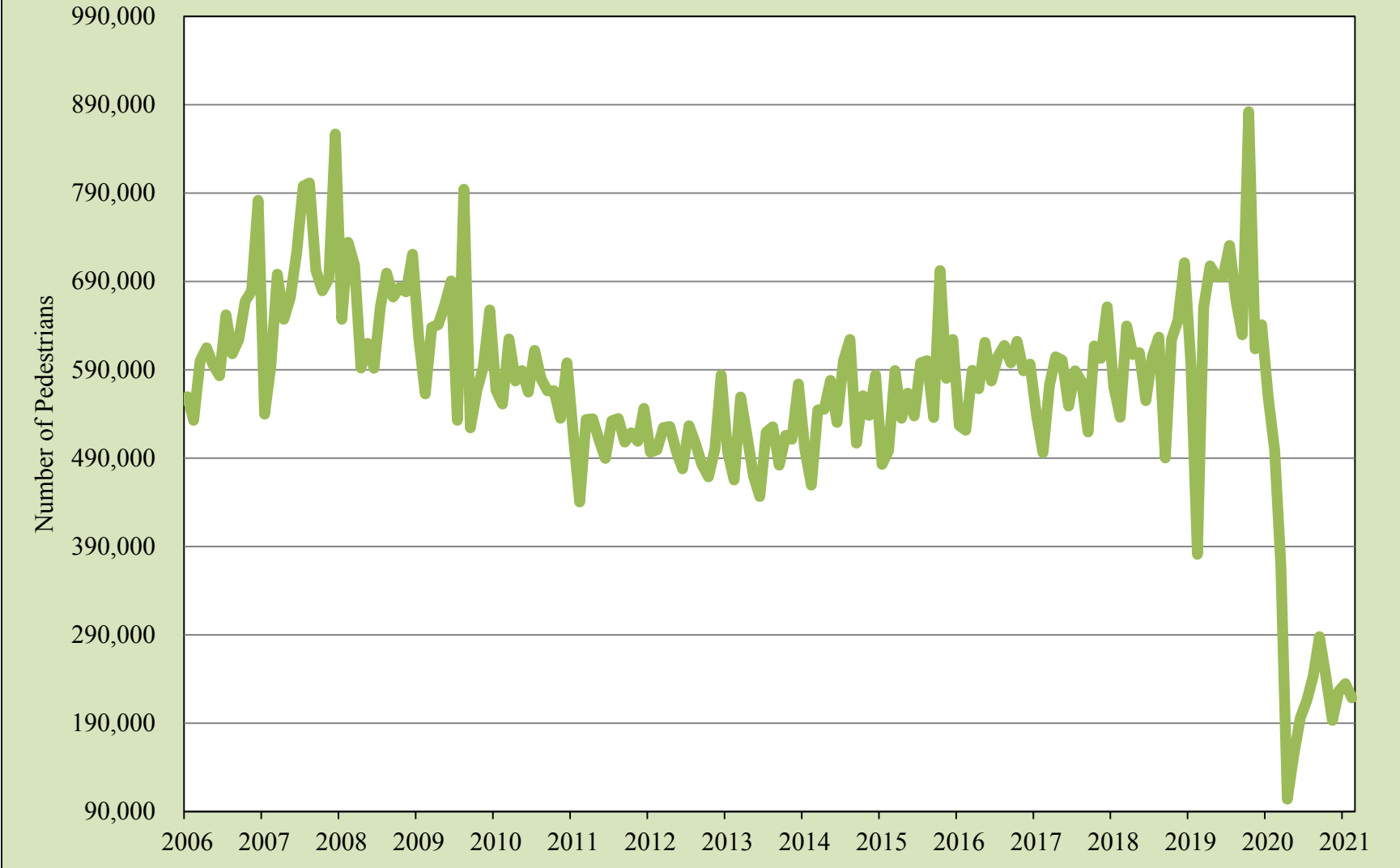
2019 2020 2021



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



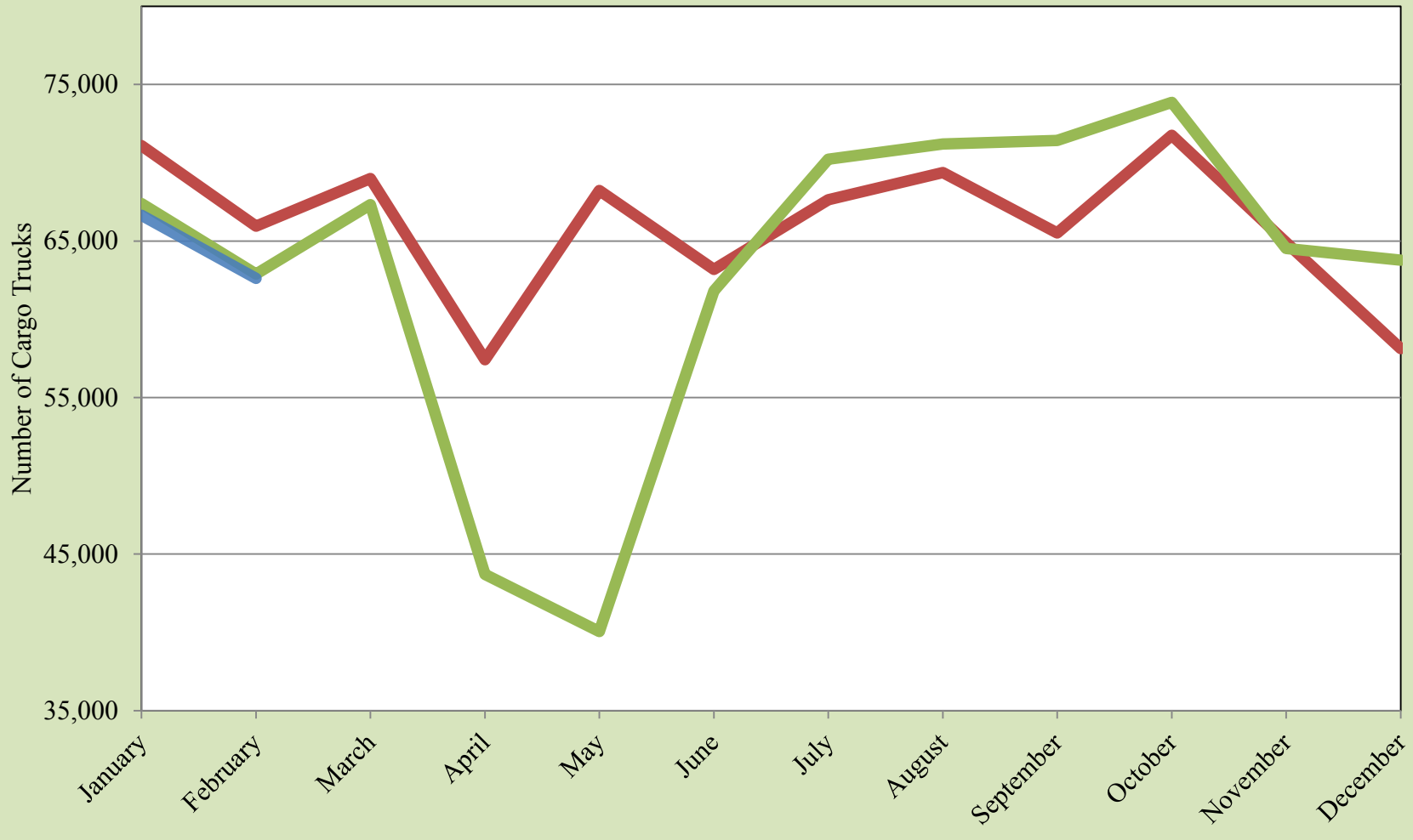
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Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

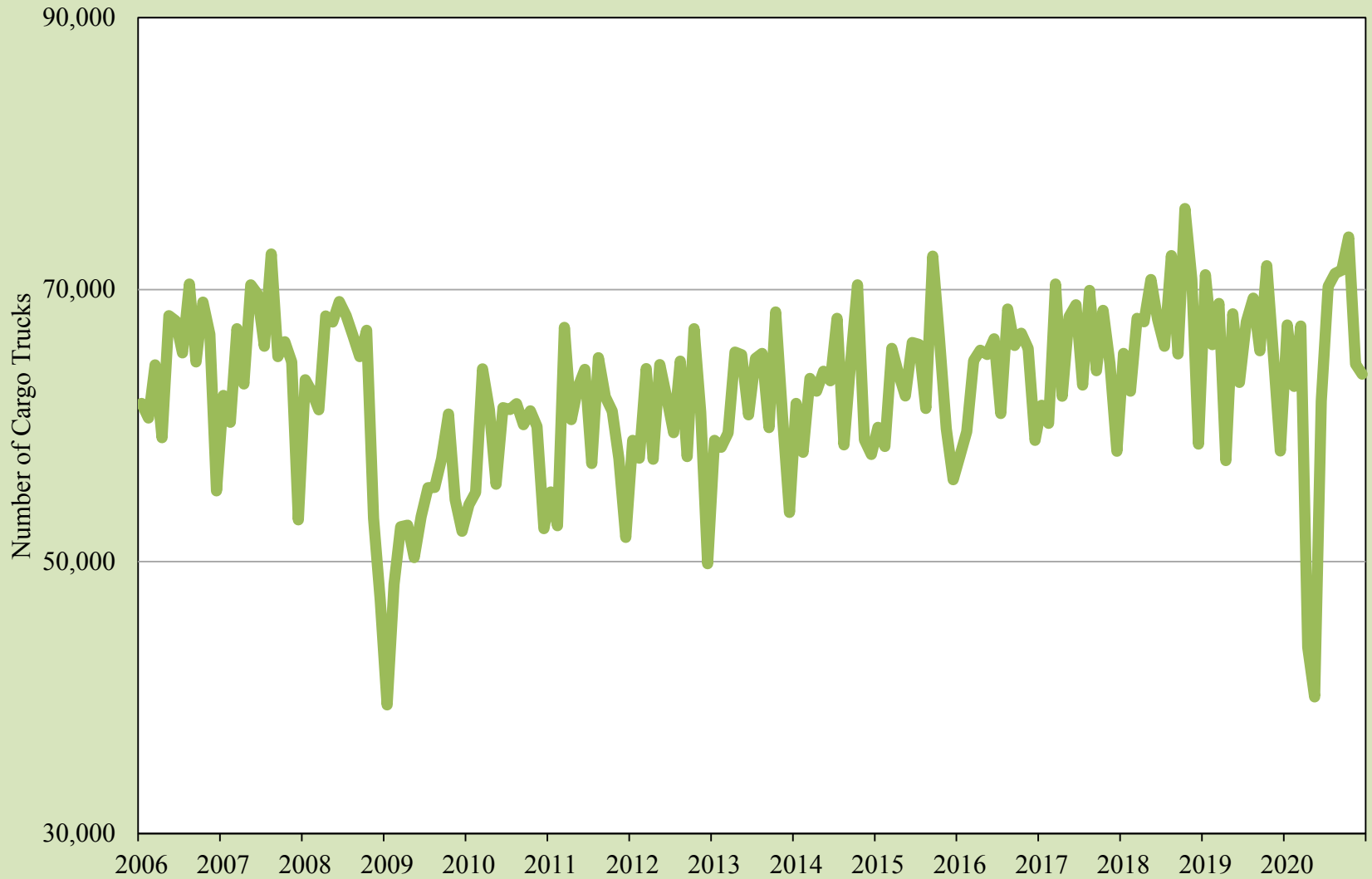
## Cargo Truck International Bridge Crossings to El Paso

2019 2020 2021



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

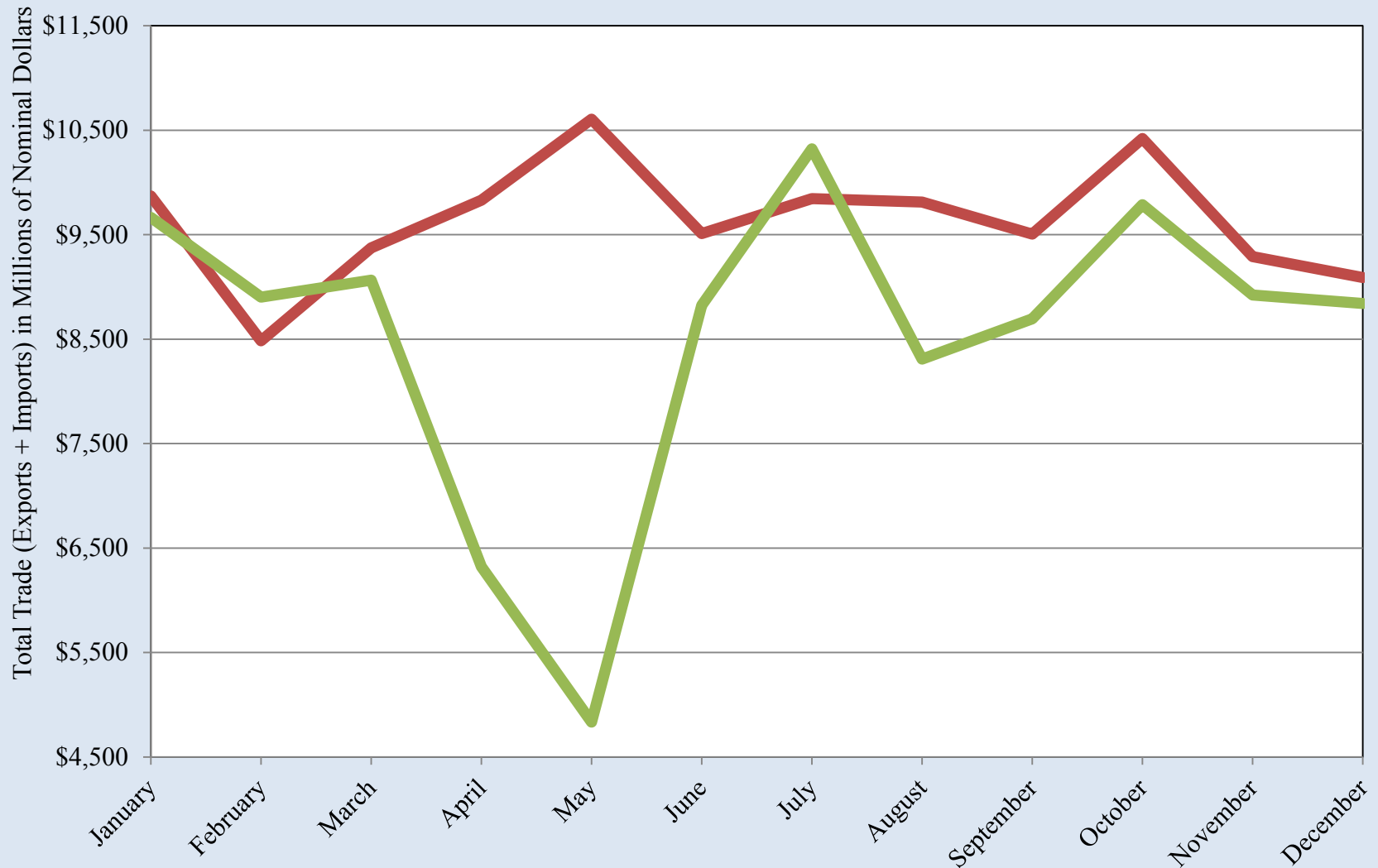
## Cargo Truck International Bridge Crossings to El Paso



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

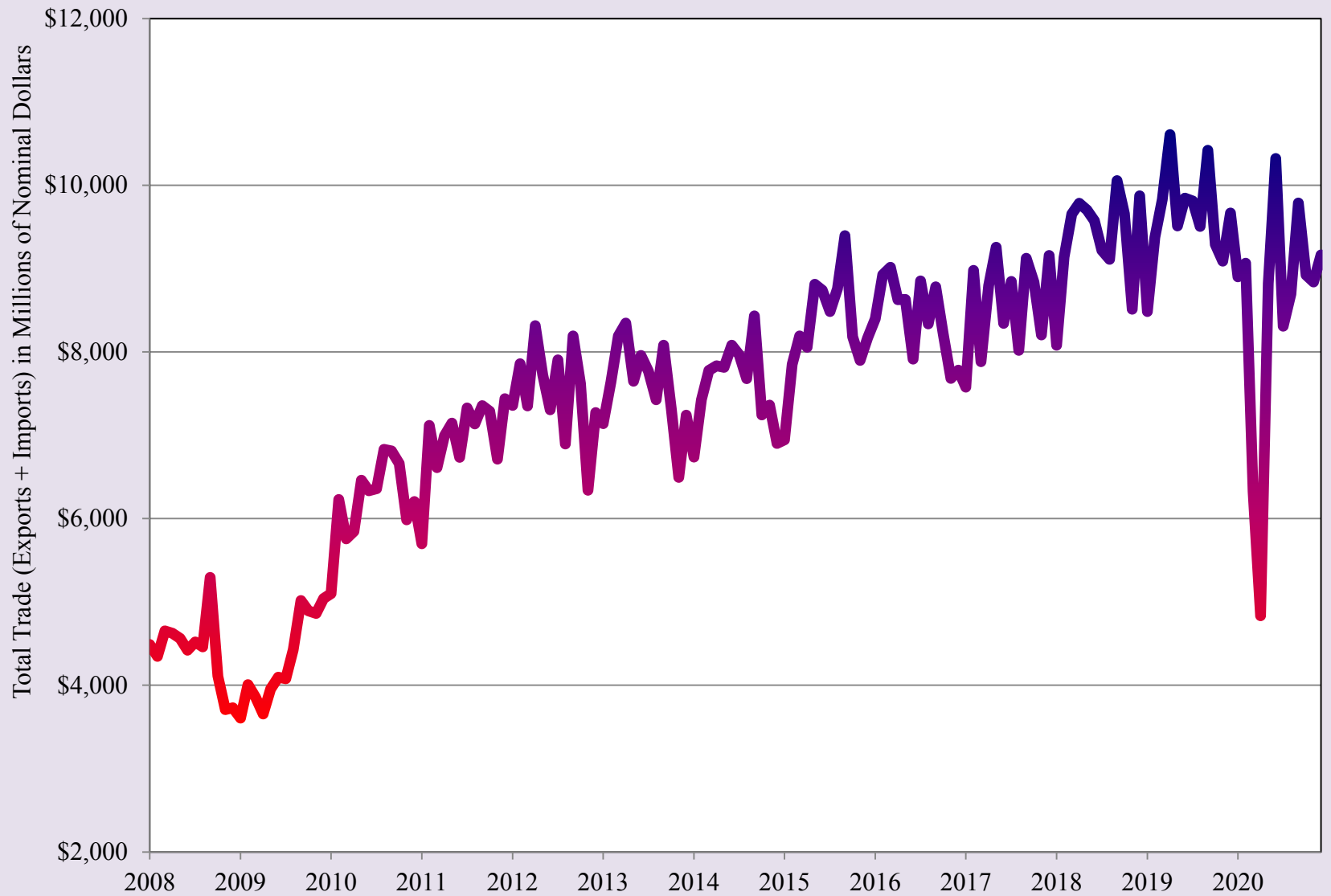
## Total Trade through the El Paso Customs District

2019 2020



Source: U.S. International Trade Commission

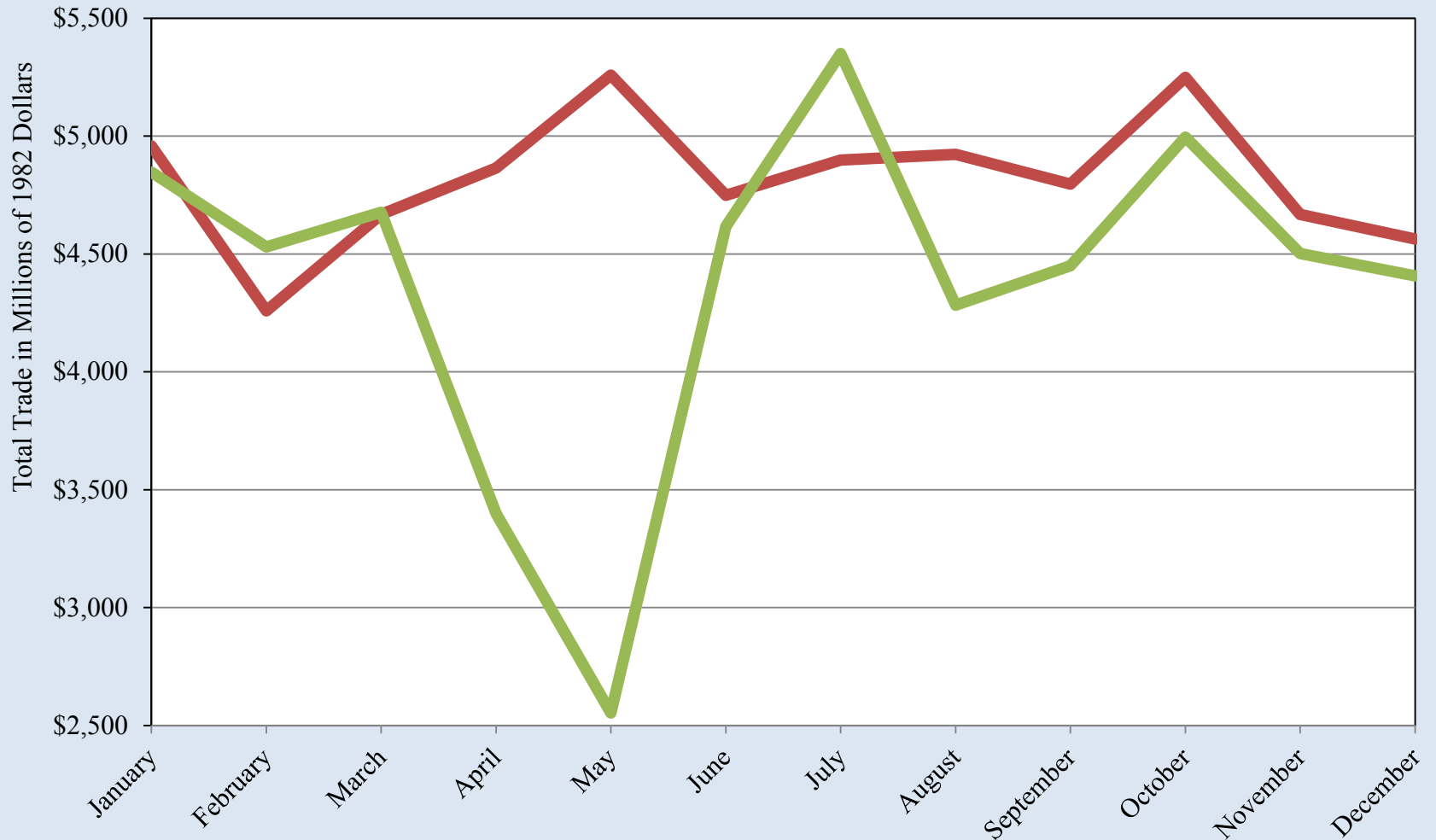
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Source: U.S. International Trade Commission

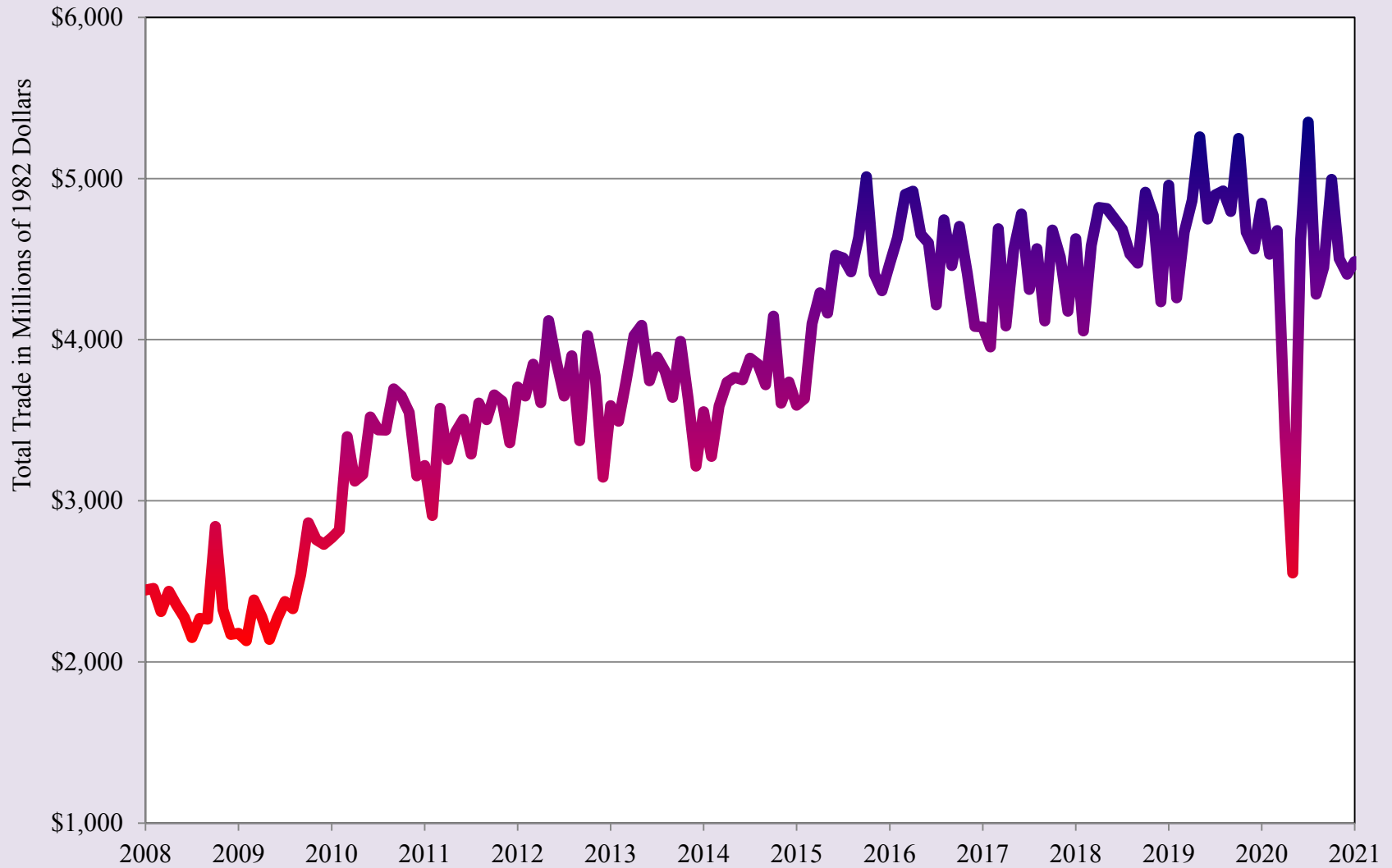
## Real Total Trade through the El Paso Customs District

2019 2020



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

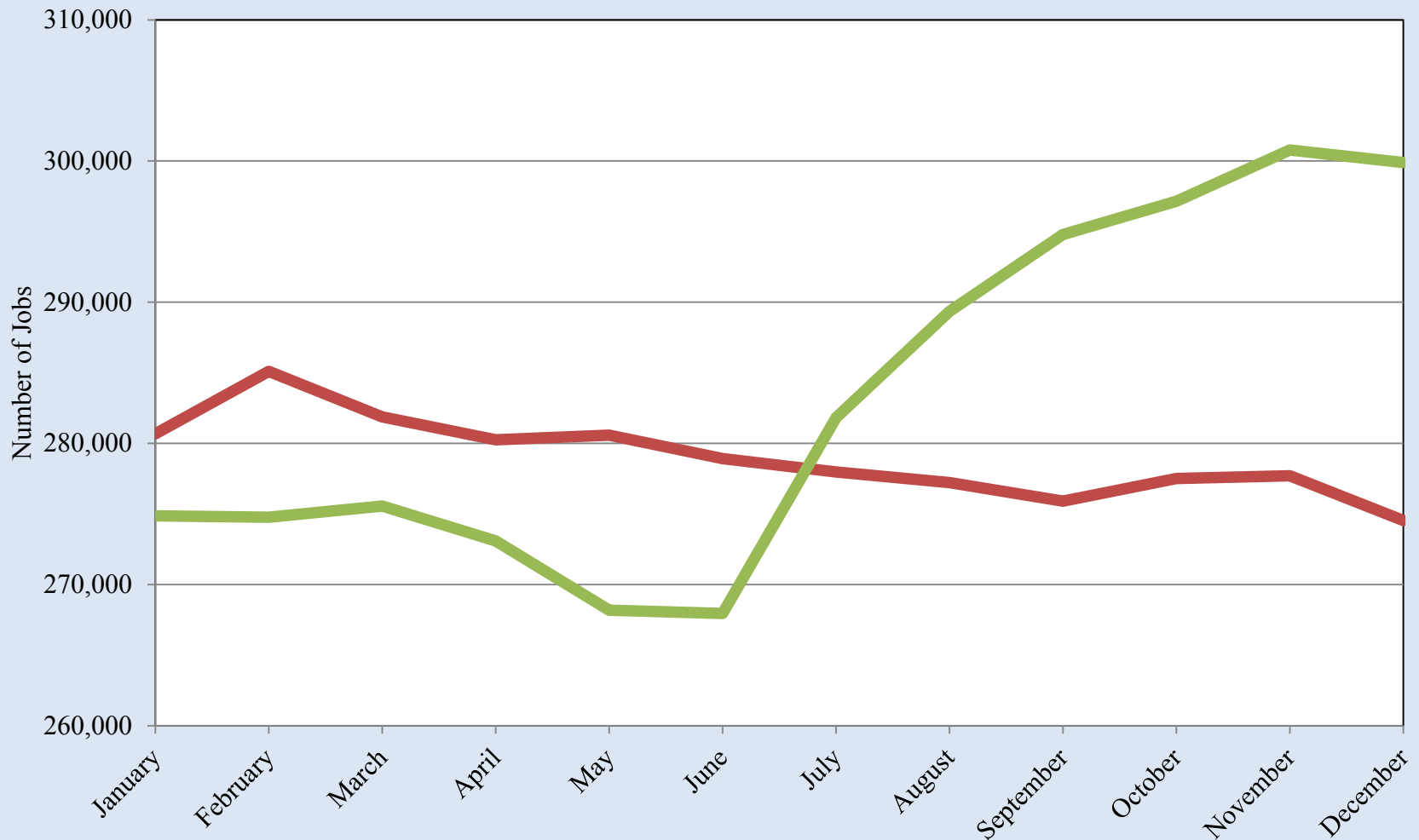
## Real Total Trade through the El Paso Customs District



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

## Export-Oriented Manufacturing Employment in Ciudad Juárez

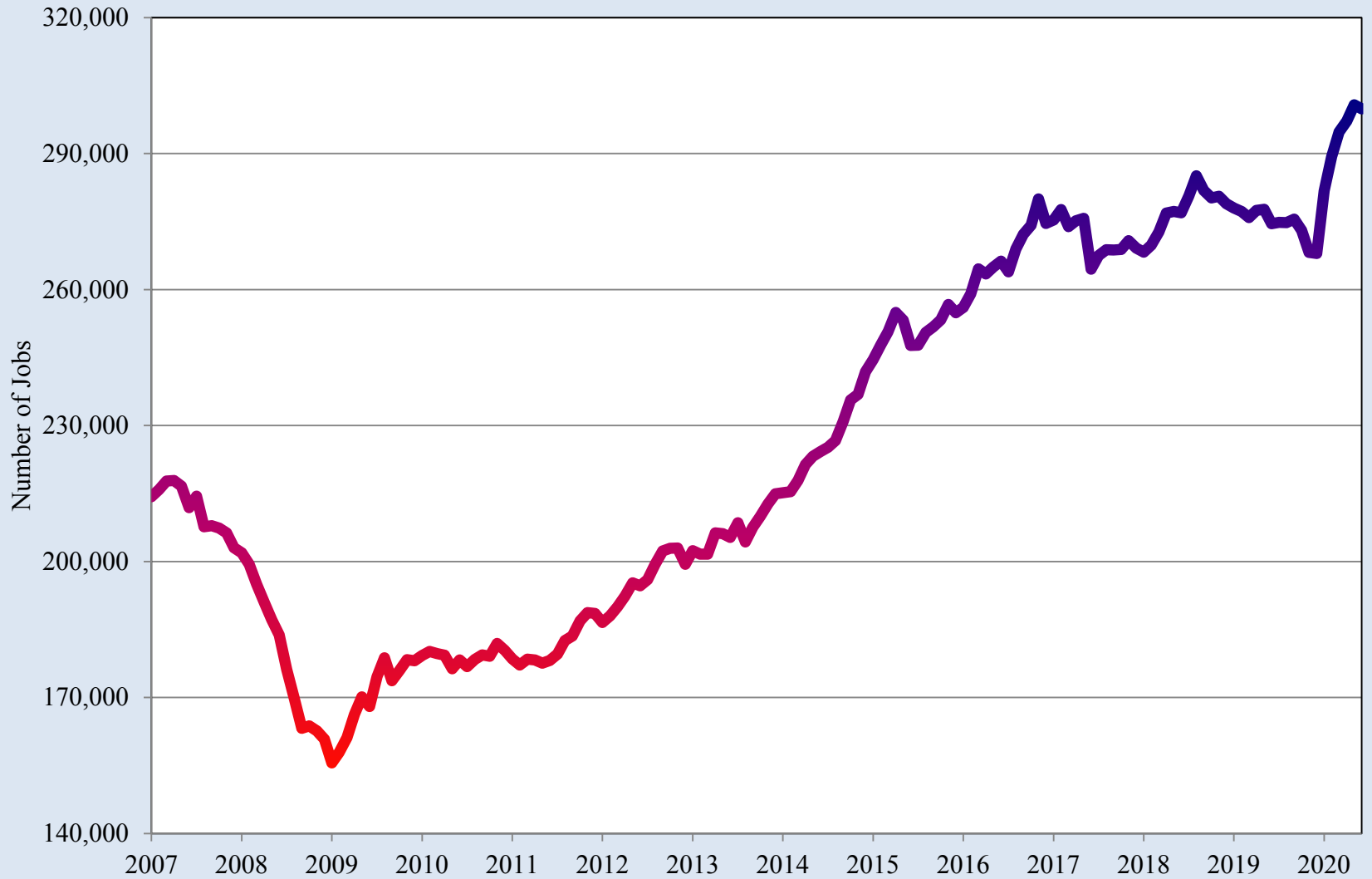
2019 2020



Source: INEGI



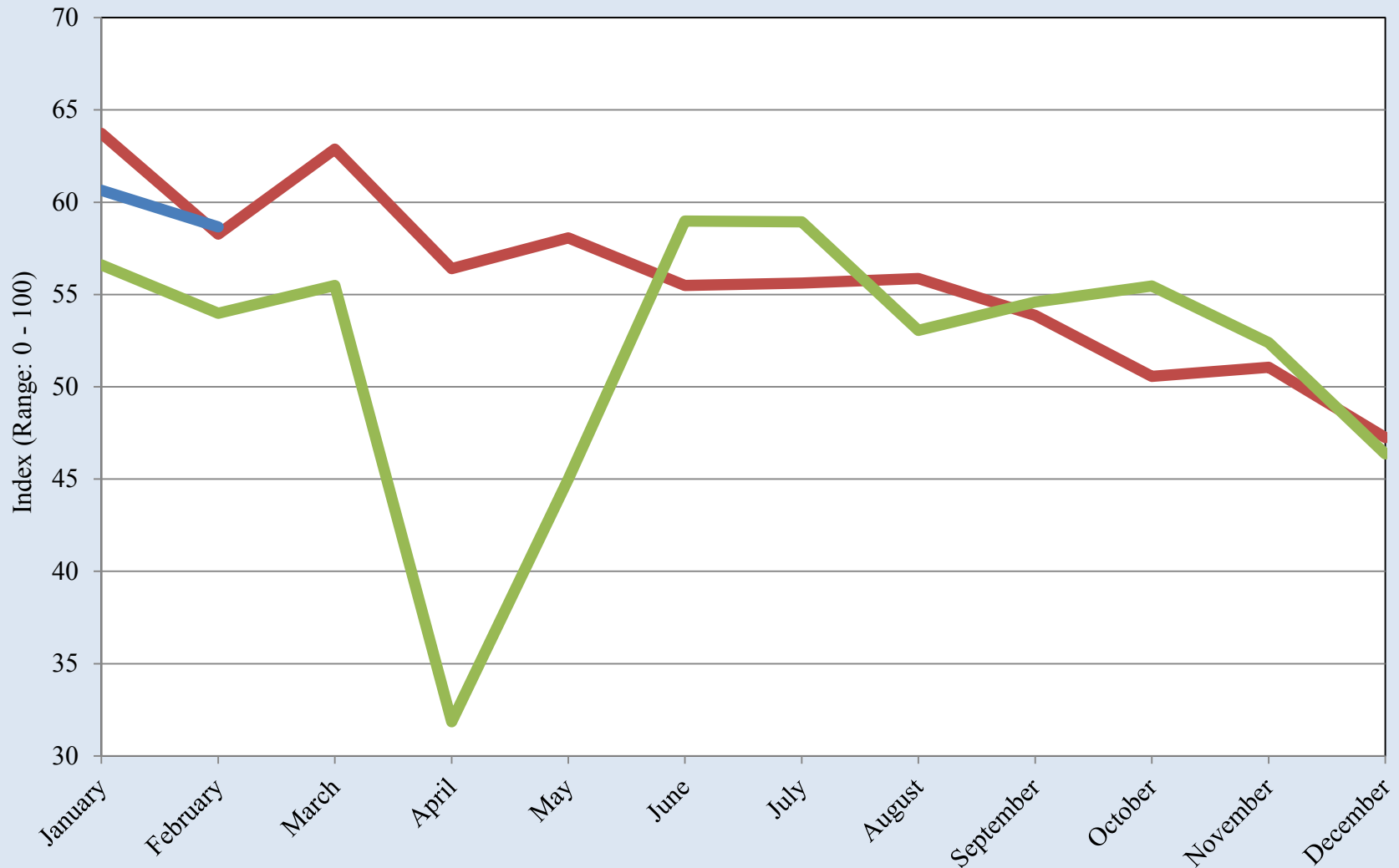
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Source: INEGI

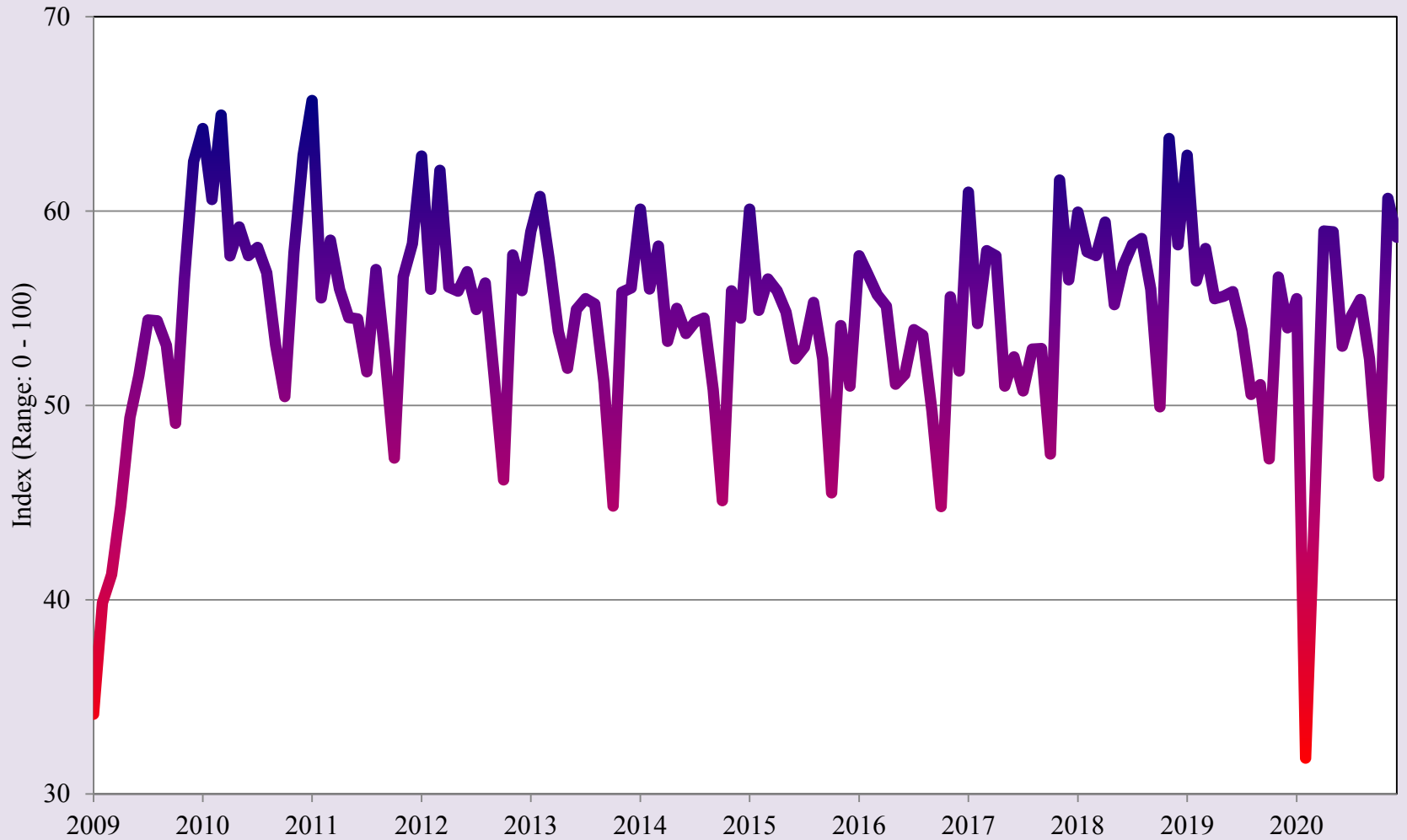
# Northern Mexico Manufacturing Orders Index

— 2019 — 2020 — 2021



Source: Banco de México

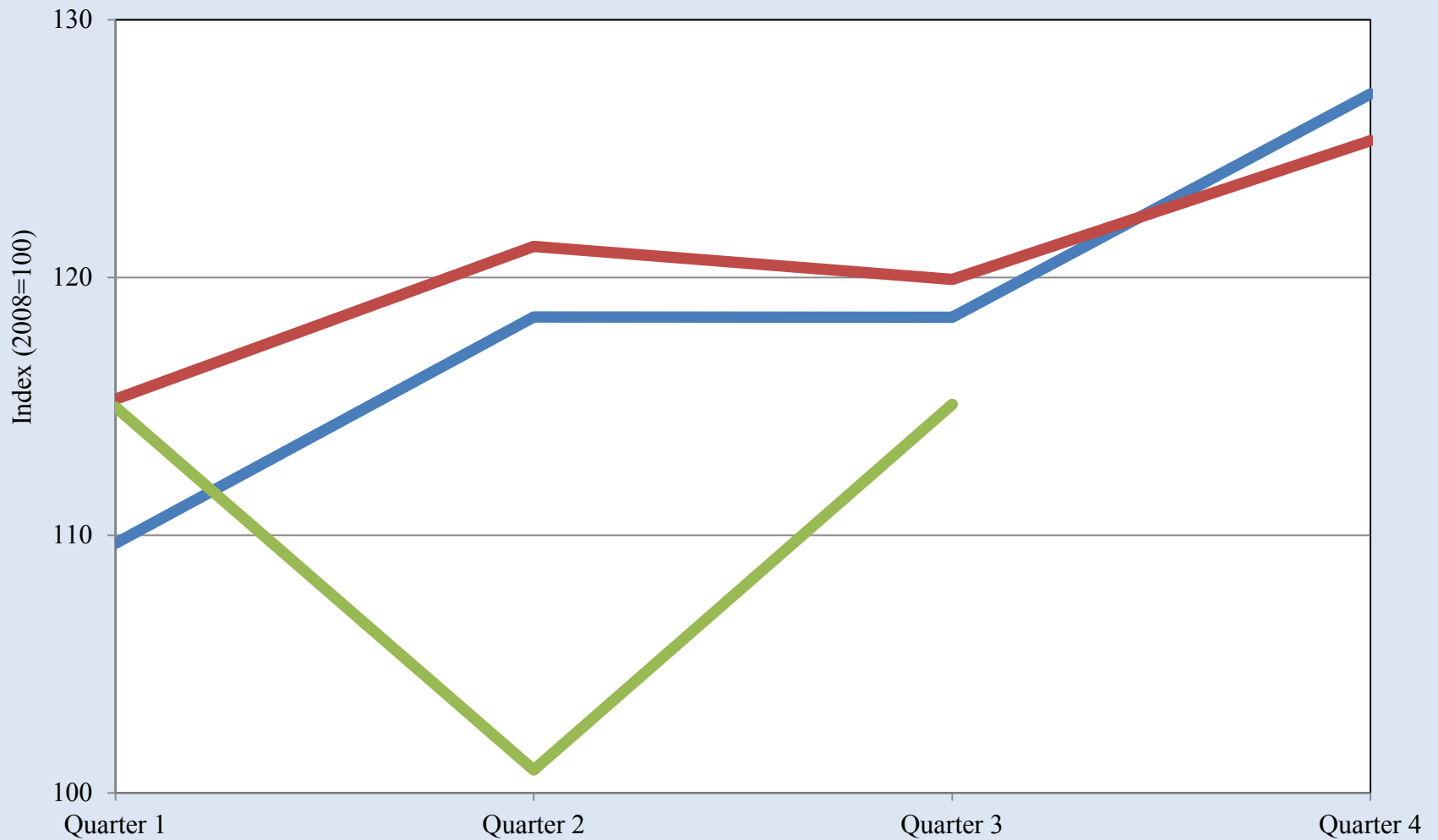
## Northern Mexico Manufacturing Orders Index



Source: Banco de México

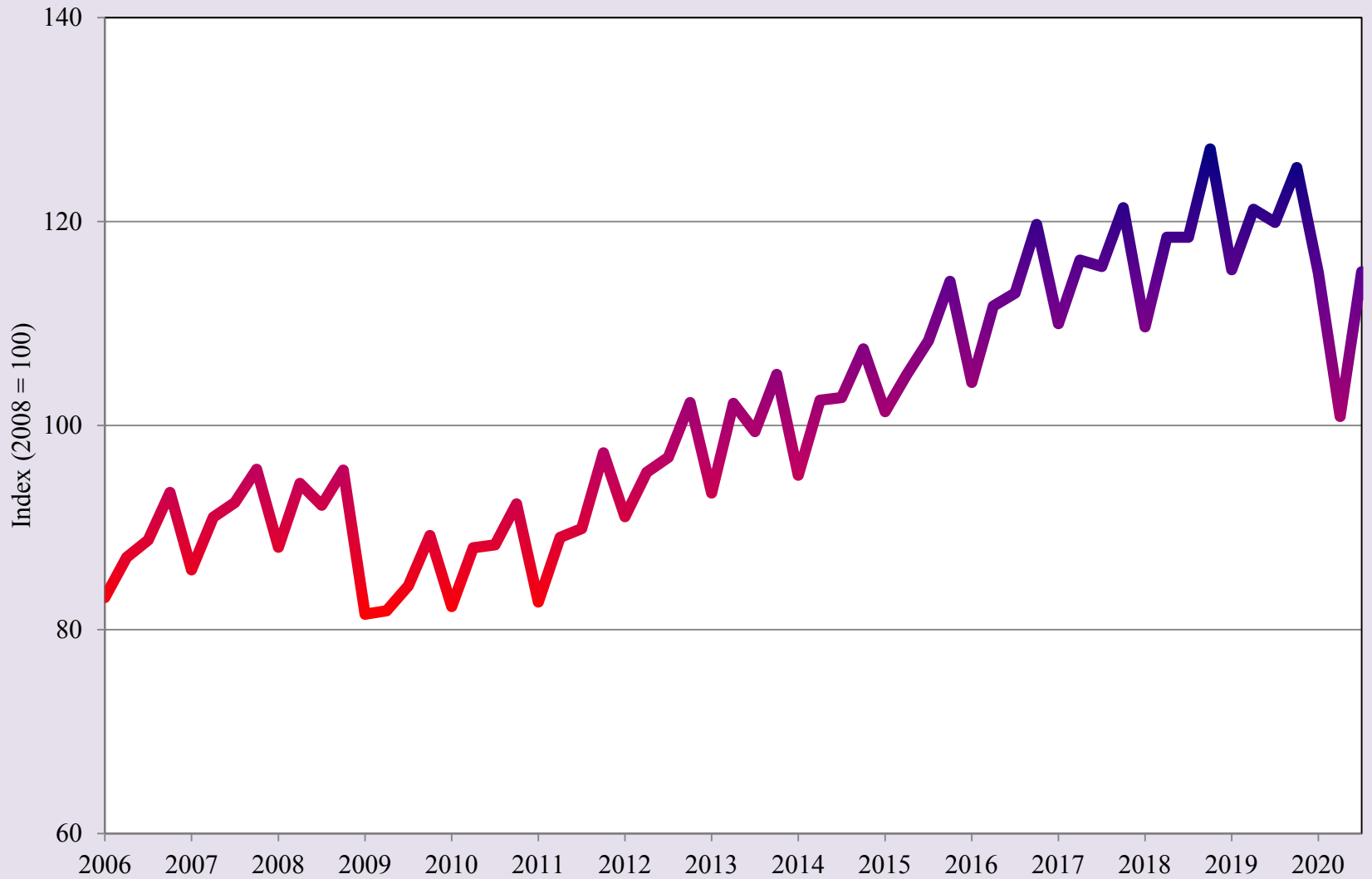
# Quarterly Indicator of Economic Activity for the State of Chihuahua

2018 2019 2020



Source: INEGI

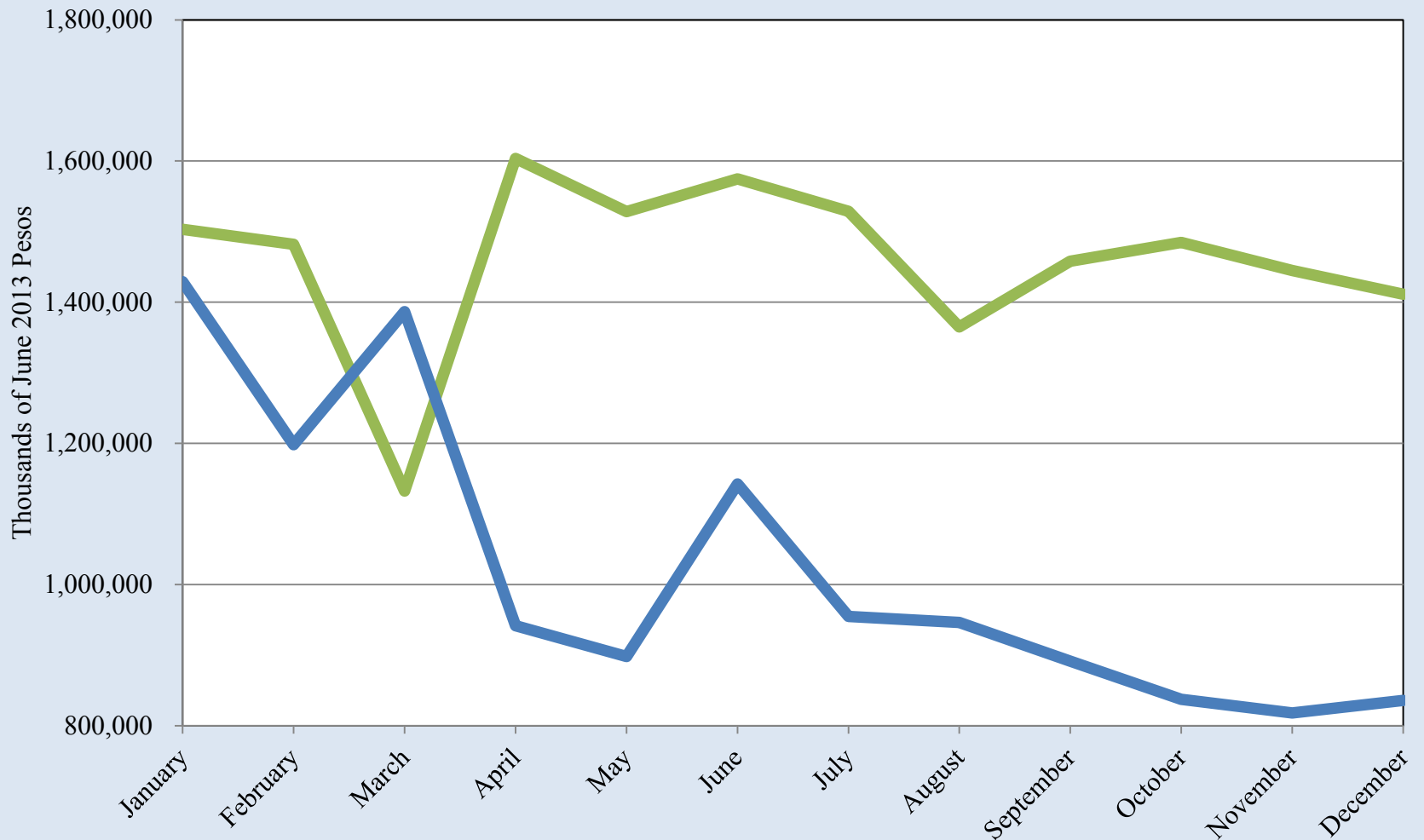
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Source: INEGI

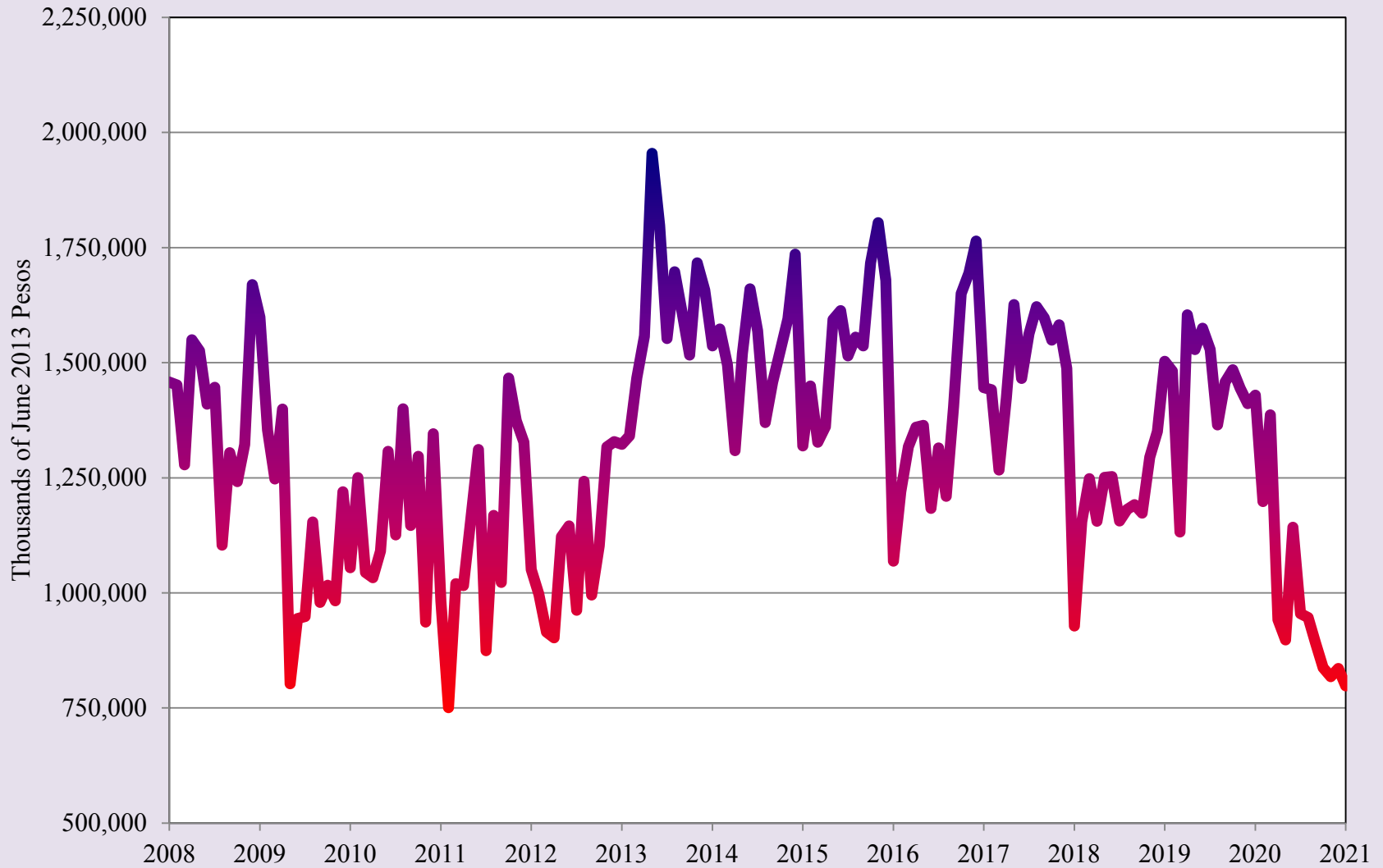
## Total Value of Construction in the State of Chihuahua

2019 2020



Source: INEGI

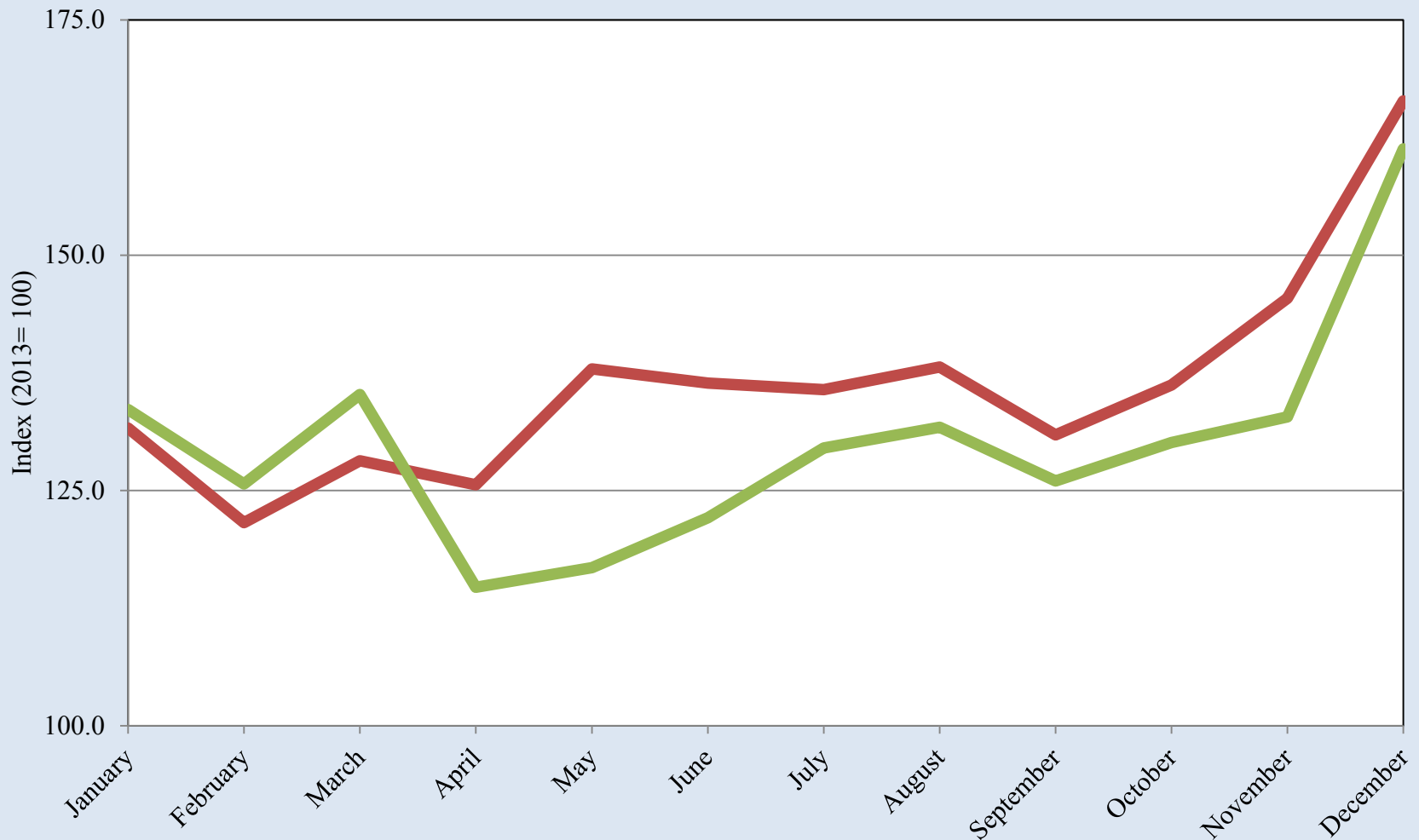
## Total Value of Construction in the State of Chihuahua



Source: INEGI

## Real Retail Activity Index for the State of Chihuahua

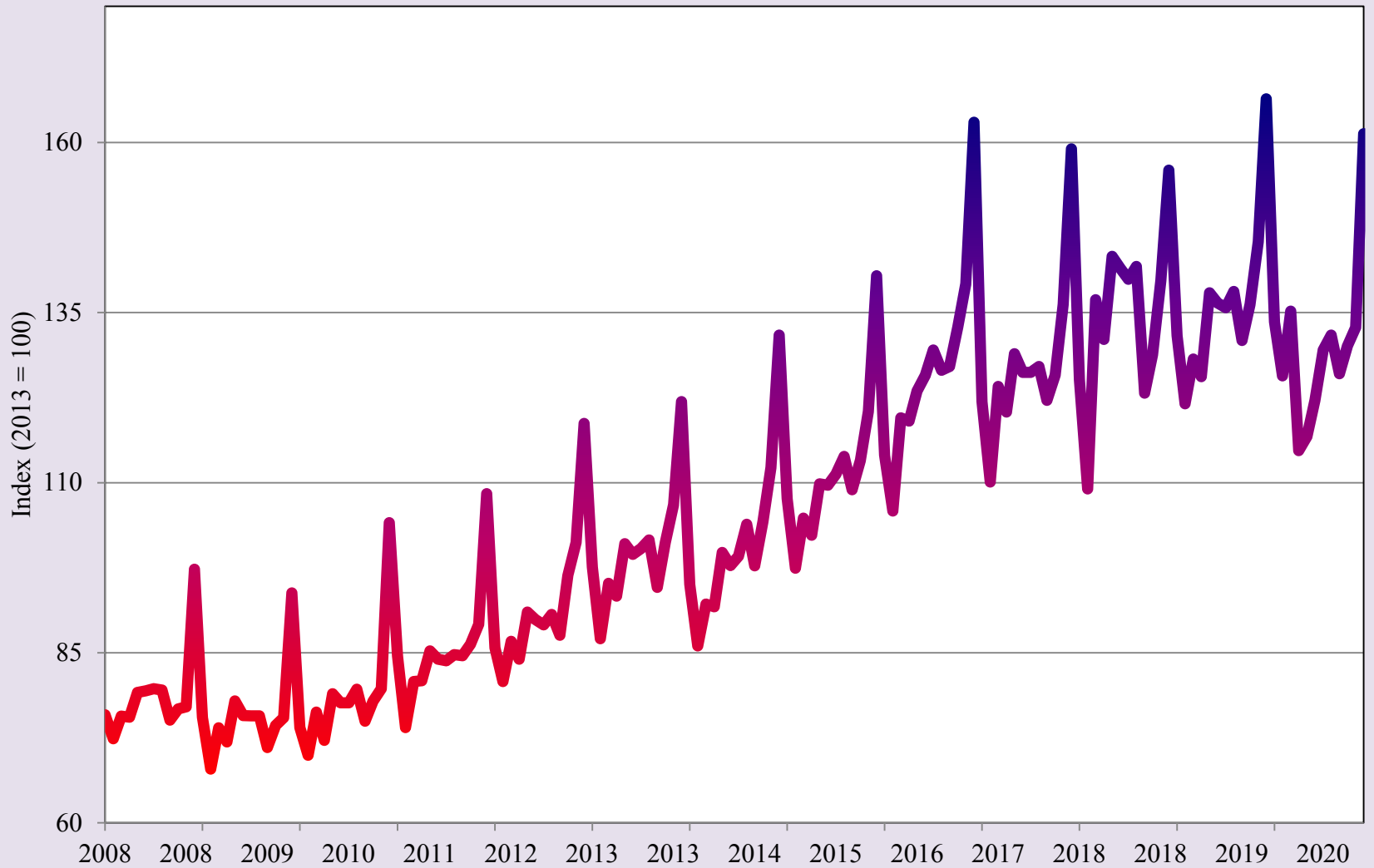
2019 2020



Source: INEGI



## Real Retail Activity Index for the State of Chihuahua



Source: INEGI



Short-Term  
Outlook to  
2022



# BORDERPLEX BUSINESS BAROMETER

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