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**Borderplex Business Barometer, Volume 5, Number 4**

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Slow Emergence from Economic Chaos

The Federal Reserve Bank of Dallas El Paso Metropolitan Business Cycle Index increased in March. The recent readings indicate that economic activity in El Paso has recovered to first quarter 2019 levels. In spite of that favorable development, the UTEP BRMP El Paso Household Economic Stress Index spiked in March. One source underlying the increase in the stress index was a jump in consumer price inflation. Also contributing to the household economic stress was joblessness. The El Paso unemployment rate remained at approximately 8 percent for the entire first quarter. El Paso is among the national leaders in the COVID-19 vaccination rollout, and that may encourage residents to return to work later this quarter. Eviction suspensions have helped suppress the number of supplemental nutrition assistance program (SNAP or food stamp) recipients in El Paso County. SNAP enrollments were below year-ago levels for a third consecutive month in March.

The national yield curve slope steepened in March. Average Treasury bill (maturities of 1 year or less) yields for March 2021 were all below 0.1 percent. Average Treasury note (maturities of 2 to 10 years) yields increased visibly, with the 7-year rate climbing above 1.0 percent for the first time in 13 months. At the longer end of the spectrum, even though still negative in real terms, 20- and 30-year Treasury bond rates were both above 2.0 percent for the first time in 14 months. The Federal Open Market Committee concluded a 2-day meeting this month by asserting that it will continue to hold steady on interest rates and asset purchases.

The El Paso real estate market remained tight in March. The median price for single-family housing units in March was $15 thousand above its year-ago level. Very few houses are being offered for sale as owners remain reluctant to allow potential buyers to visit on-site and remain wary of acquisition prospects elsewhere should they try to relocate. In another industry affected by COVID-19, passenger traffic at El Paso International Airport (EPIA) remains dormant so far in 2021 at less than half the volumes tallied in January and February 2020. In contrast, car travel has surged, causing unleaded gasoline prices to rise to $2.89 per gallon in March, a 96 cent increase from the same month in 2020.

The March unemployment rate for Doña Ana County was 8 percent. Nonfarm employment was 5.9 percent below its level from twelve months earlier; the only sector to posts year-over-year payroll gains was manufacturing. Business services may be starting to turn the corner, as well. Reflective of weak labor market conditions, Las Cruces SNAP cases remained above 30 thousand for a third consecutive month in March.

The peso per dollar exchange rate increased slightly as the peso weakened somewhat in March. Northbound automobile traffic rose above 700 thousand cars in March for the first time in a year. Foot traffic at the international ports of entry also increased noticeably in March, almost reaching 300 thousand. Cargo traffic across the bridges also spiked in March as manufacturing accelerated in Ciudad Juarez. The upsurge in cargo traffic probably means total trade through the El Paso Customs District will easily surpass $9 billion in March.
El Paso Metropolitan Business Cycle Index

Seasonally Adjusted Index (October 1980 = 100)

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

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

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

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 SNAP (Food Stamp) Enrollment

Number of SNAP Recipients

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>175,000</td>
</tr>
<tr>
<td>2020</td>
<td>170,000</td>
</tr>
<tr>
<td>2021</td>
<td>165,000</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.
El Paso Median Housing Prices

Source: Texas A&M Real Estate Center
El Paso Median Housing Prices from 2006 to 2021

Nominal Price

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 in El Paso for single family homes 2006-2021

Source: Texas A&M Real Estate Center
El Paso Gasoline Prices

Source: GasBuddy.com
El Paso unleaded gasoline prices from January 2006 to March 2021

Source: GasBuddy.com
Doña Ana County Unemployment Rate

Source: Bureau of Labor Statistics
Unemployment rate for Doña Ana county ranging from January 2006 to March 2021

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 from January 2006 with a gap in April and May of 2014 continuing June 2014 to February 2021.

Source: New Mexico Human Services Department
Restaurant Price Ratio and Exchange Rate

<table>
<thead>
<tr>
<th>Year</th>
<th>Nominal Exchange Rate</th>
<th>Restaurant Price Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>2020</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>2021</td>
<td>14</td>
<td>14</td>
</tr>
</tbody>
</table>

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. Dates range from January 2006 to March 2021.

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)

<table>
<thead>
<tr>
<th>Year</th>
<th>Ton of Freight/Mail</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>11,500</td>
</tr>
<tr>
<td>2020</td>
<td>10,500</td>
</tr>
<tr>
<td>2021</td>
<td>9,500</td>
</tr>
</tbody>
</table>

Source: EPIA Operations
EPIA Freight and Mail

Tons of Freight/Mail


Source: EPIA Operations
EPIA Passengers (Deplaned and Enplaned)

<table>
<thead>
<tr>
<th>Total 2019</th>
<th>Total 2020</th>
<th>Total 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>400,000</td>
<td>350,000</td>
<td></td>
</tr>
</tbody>
</table>

Source: EPIA Operations
EPIA Passengers

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

[Graph showing monthly wait times for Ysleta from 2019 to 2021, with data points for each month.]

Source: UTEP Border Region Modeling Project
Source: UTEP Border Region Modeling Project
Monthly border wait times at Paseo Del Norte, Ysleta, and Bridge of the Americas. Data set ranging from January 2011 to March 2021.

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Pedestrians</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>990,000</td>
</tr>
<tr>
<td>2020</td>
<td>890,000</td>
</tr>
<tr>
<td>2021</td>
<td>790,000</td>
</tr>
<tr>
<td>2022</td>
<td>690,000</td>
</tr>
<tr>
<td>2023</td>
<td>590,000</td>
</tr>
<tr>
<td>2024</td>
<td>490,000</td>
</tr>
<tr>
<td>2025</td>
<td>390,000</td>
</tr>
<tr>
<td>2026</td>
<td>290,000</td>
</tr>
<tr>
<td>2027</td>
<td>190,000</td>
</tr>
<tr>
<td>2028</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

990,000 Number of Pedestrians


Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection
Cargo Truck International Bridge Crossings to El Paso

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Cargo Trucks</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>75,000</td>
</tr>
<tr>
<td>2020</td>
<td>65,000</td>
</tr>
<tr>
<td>2021</td>
<td>55,000</td>
</tr>
</tbody>
</table>

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

Total Trade (Exports + Imports) in Millions of Nominal Dollars

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$11,500</td>
<td>$10,500</td>
<td>$9,500</td>
</tr>
<tr>
<td>2020</td>
<td>$10,500</td>
<td>$9,500</td>
<td>$8,500</td>
</tr>
<tr>
<td>2021</td>
<td>$9,500</td>
<td>$8,500</td>
<td>$7,500</td>
</tr>
<tr>
<td>2022</td>
<td>$8,500</td>
<td>$7,500</td>
<td>$6,500</td>
</tr>
<tr>
<td>2023</td>
<td>$7,500</td>
<td>$6,500</td>
<td>$5,500</td>
</tr>
<tr>
<td>2024</td>
<td>$6,500</td>
<td>$5,500</td>
<td>$4,500</td>
</tr>
</tbody>
</table>

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

Aggregate Real Total Trade through the El Paso Customs District

Total Trade in Millions of 1982 Dollars

Export Oriented manufacturing employment in Ciudad Juárez

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

Export-Oriented Manufacturing Employment in Ciudad Juárez

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>320,000</td>
</tr>
<tr>
<td>2008</td>
<td>290,000</td>
</tr>
<tr>
<td>2009</td>
<td>260,000</td>
</tr>
<tr>
<td>2010</td>
<td>230,000</td>
</tr>
<tr>
<td>2011</td>
<td>200,000</td>
</tr>
<tr>
<td>2012</td>
<td>170,000</td>
</tr>
<tr>
<td>2013</td>
<td>140,000</td>
</tr>
</tbody>
</table>

Source: INEGI
Northern Mexico Manufacturing Orders Index

Index (Range: 0 - 100)

Source: Banco de México
Northern Mexico Manufacturing Orders Index

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

Index (2008=100)

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
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
University of Texas at El Paso
Heather Wilson, President
John Wiebe, Provost
Roberto Osegueda, Vice President for Research

UTEP College of Business Administration
Jim Payne, Dean
Erik Devos, Associate Dean
Faith Xie, Associate Dean
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*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](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.