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Borderplex Business Barometer, Volume 6, Number 1

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T.M. Fullerton, Jr., and S.L. Fullerton, 2022, Borderplex Top 10 Economic Predictions for 2022, *Borderplex Business Barometer* 6(1), 1-58.



BORDERPLEX BUSINESS BAROMETER

January 2022

Border Region Modeling Project

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Borderplex Business Barometer, Volume 6, Number 1

Borderplex Top 10 Economic Predictions for 2022

COVID-19 supply chain disruptions will cause inflation to remain above Federal Reserve targets throughout 2022. Borderplex businesses and households will have to continue to exhibit inventory management flexibility for the foreseeable future.

Higher mortgage rates will erode housing affordability in 2022. Median prices should move past \$200,000 for both new as well as previously built single-family housing units.

Apartment rents will also continue to grow this year. The median rent for a 2-bedroom unit in El Paso should climb above \$1,000 per month by mid-summer.

The demand for energy will remain strong. The price of regular unleaded gasoline is expected to average \$2.86 per gallon during 2022 in El Paso.

Unemployment should drop to below 5.5 percent in El Paso. Total employment in Las Cruces should grow by 2.4 percent. Formal sector payrolls in both Ciudad Juarez and Chihuahua City should expand by 4.0 percent.

The cessation of most federal pandemic social safety net programs will cause per capita incomes to contract this year. In El Paso and Las Cruces, per capita incomes will average approximately \$40,000. The corresponding national figure will fall to \$64,489.

Business and personal bankruptcies are likely to increase at double-digit rates of change in both El Paso and Las Cruces during 2022. El Paso will have nearly 15 thousand registered businesses by the end of this year, more than 11 thousand of which will be retail entities.

The peso per dollar exchange rate should average roughly 21 P/\$ for the year as a whole. Even though it is undervalued, U.S. interest rate hikes will prevent peso appreciation.

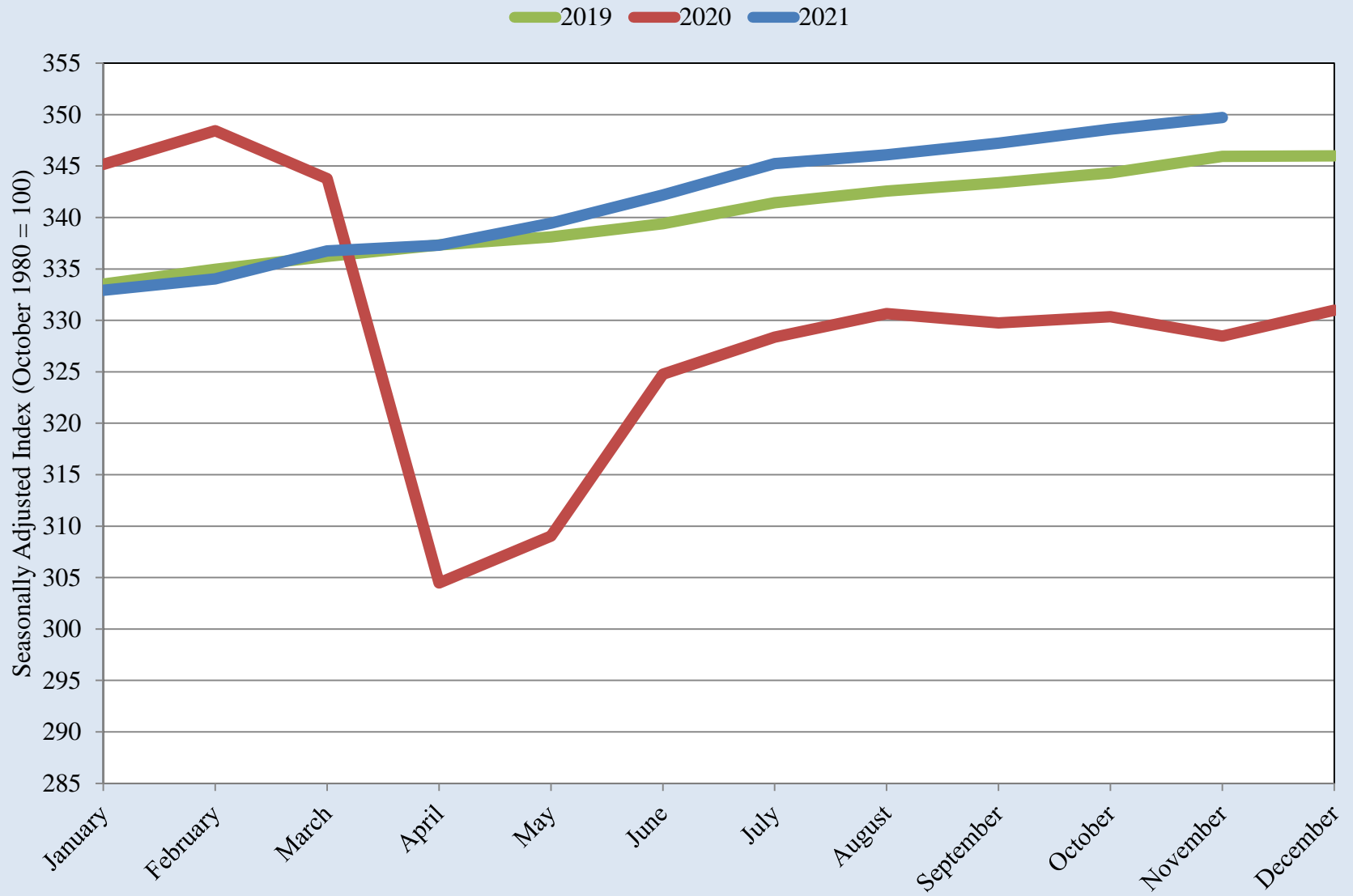
Northbound pedestrian traffic from Ciudad Juarez into El Paso should reach 5 million persons in 2022. The corresponding figure for automobiles will exceed 10.2 million. Hemispheric trade acceleration will cause the number of cargo vehicles traversing the international bridges into El Paso from Mexico to reach nearly 900 thousand this year.

In-bound and out-bound air freight flows at El Paso International Airport will grow as a consequence of greater manufacturing and warehousing activity in the Borderplex. Average roundtrip airfares are predicted to exceed \$310 per ticket in 2022.

College enrollments are expected to increase during 2022 in El Paso, Las Cruces, Ciudad Juarez, and Chihuahua City. Vehicle registration growth rates should exceed population growth rates throughout the Borderplex regional economy this year.

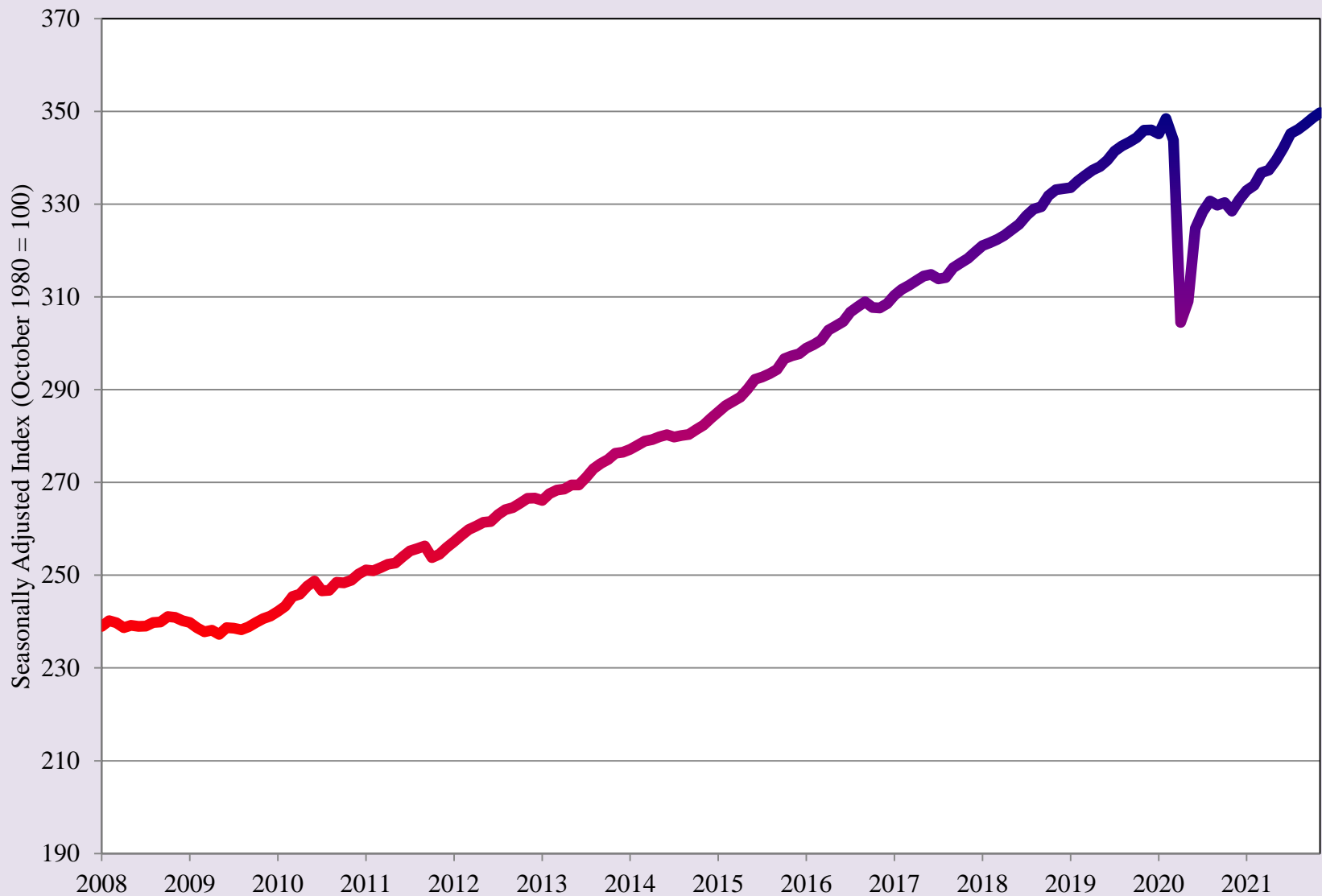
The Borderplex region is adjusting to multiple global events. The Border Region Modeling Project uses an econometric model to simulate regional business cycle prospects. The results are presented in an extensive report developed for executives, managers, policymakers, news organizations, and data analysts with operations in this area. Copies of **Borderplex Economic Outlook to 2023** and its 18 detailed statistical tables can be made online: [Click Here to Order Your Copy Today](#)

El Paso Metropolitan Business Cycle Index



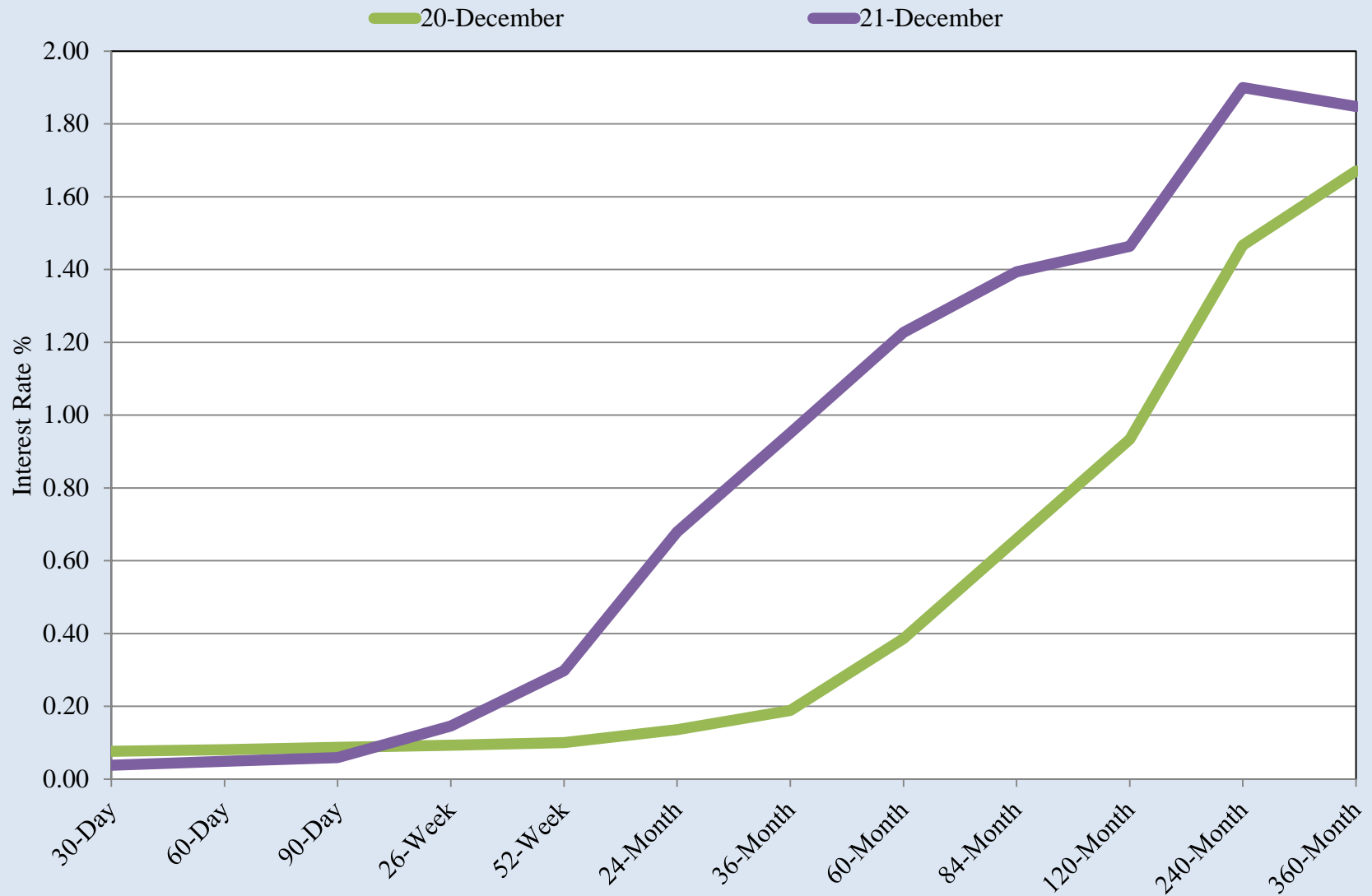
Source: Federal Reserve Bank of Dallas

El Paso Metropolitan Business Cycle Index



Source: Federal Reserve Bank of Dallas

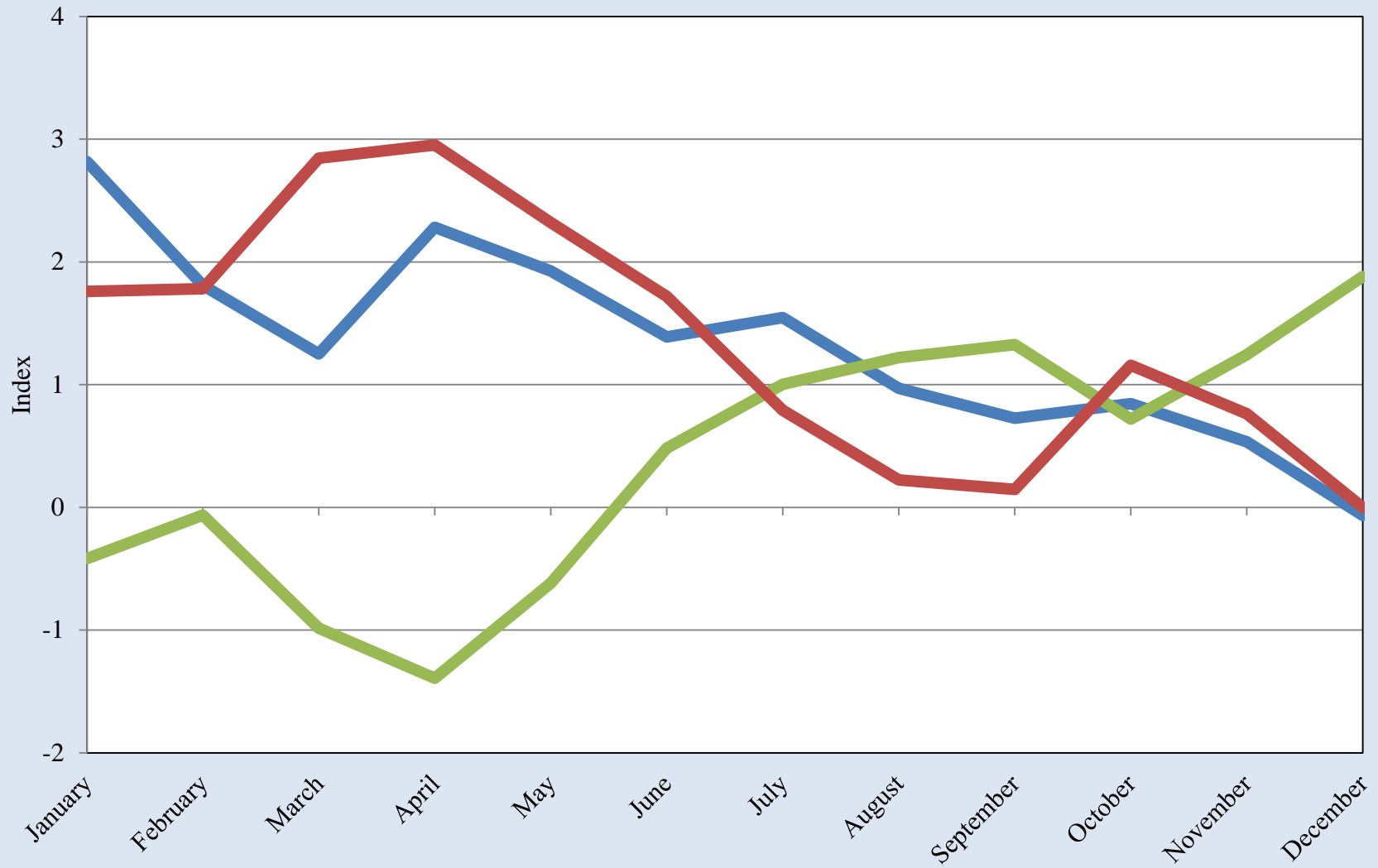
Average Treasury Yield Curve Rates



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

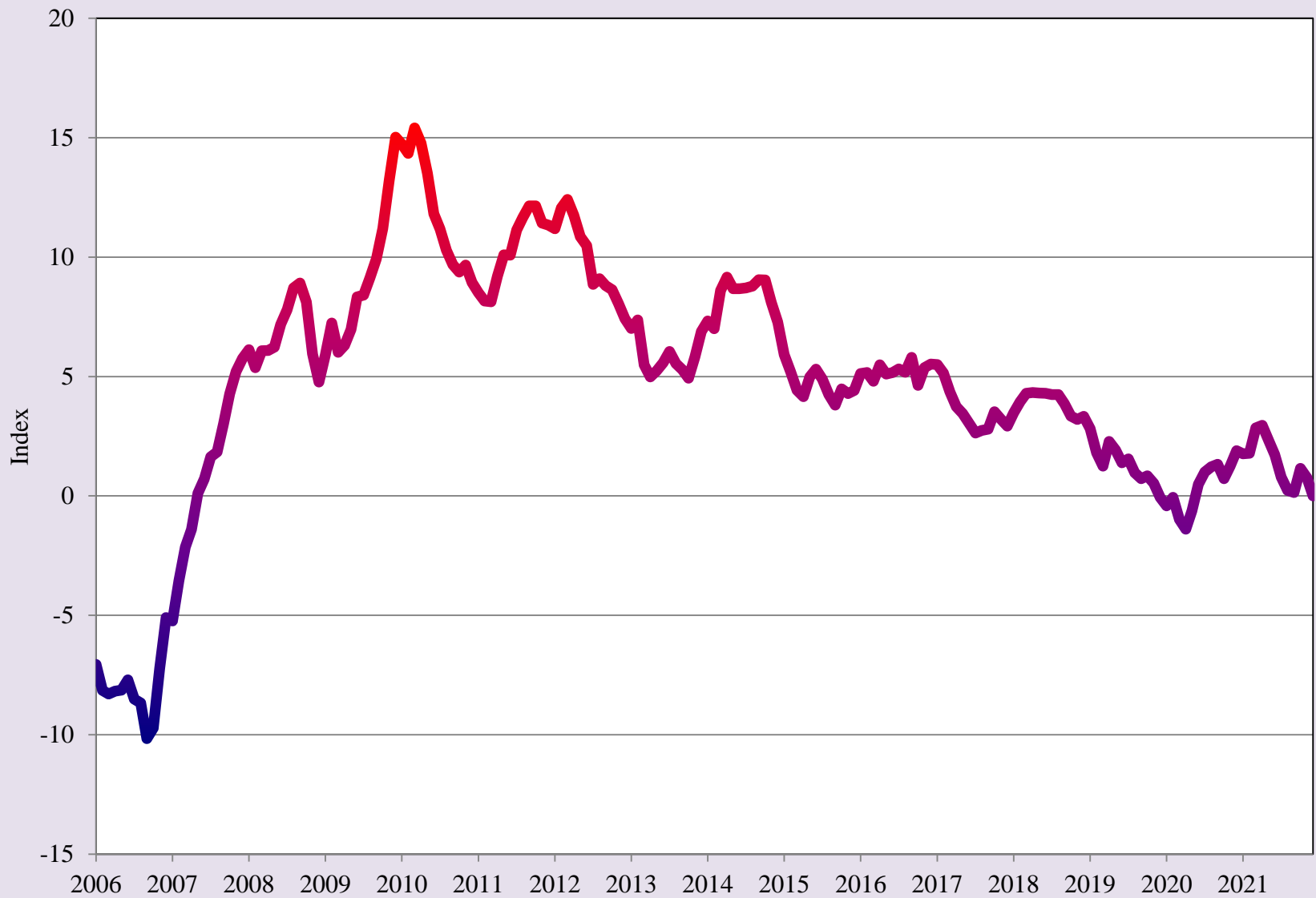
El Paso Household Economic Stress Index

2019 2020 2021



Source: UTEP Border Region Modeling Project

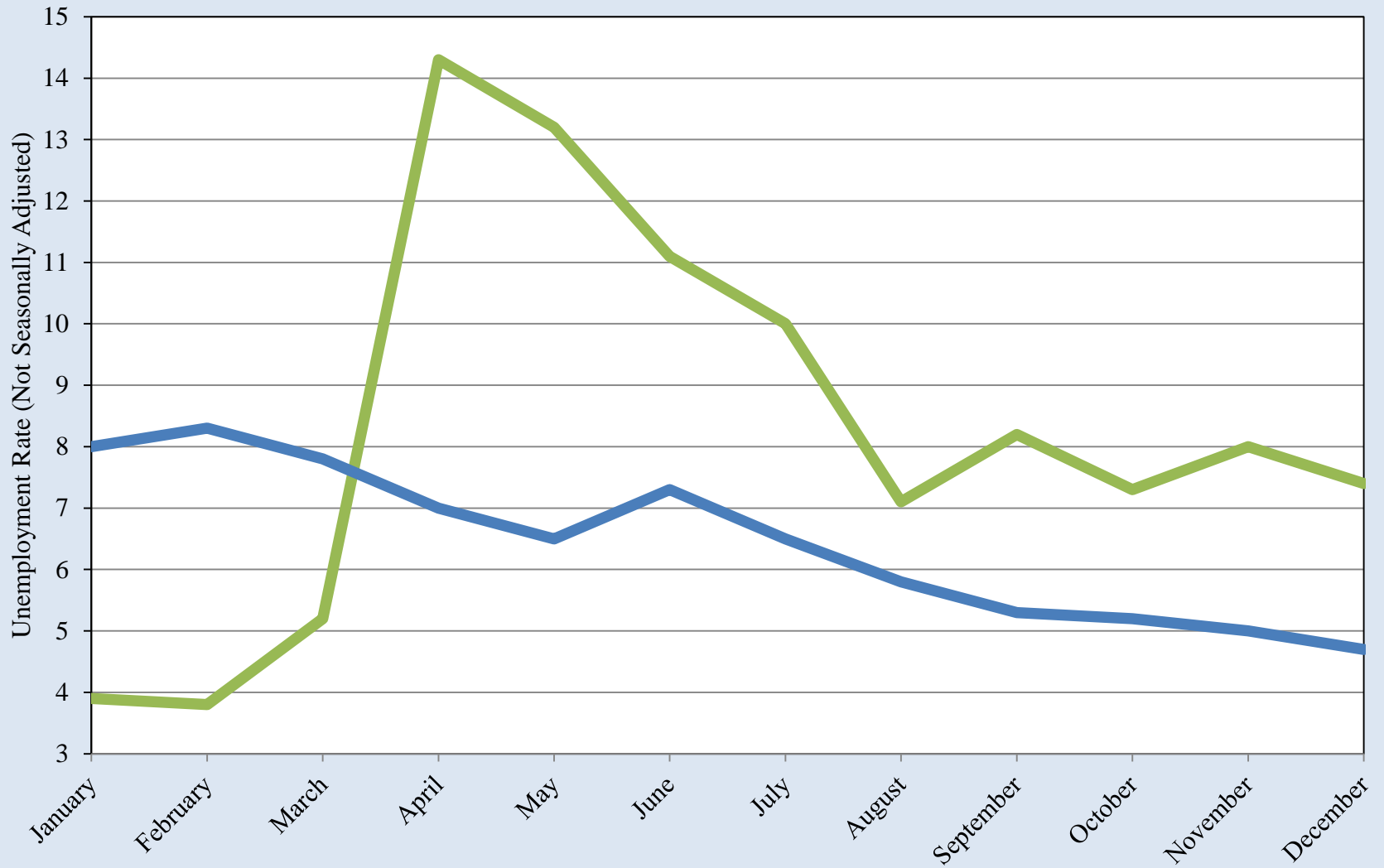
El Paso Household Economic Stress Index



Source: UTEP Border Region Modeling Project

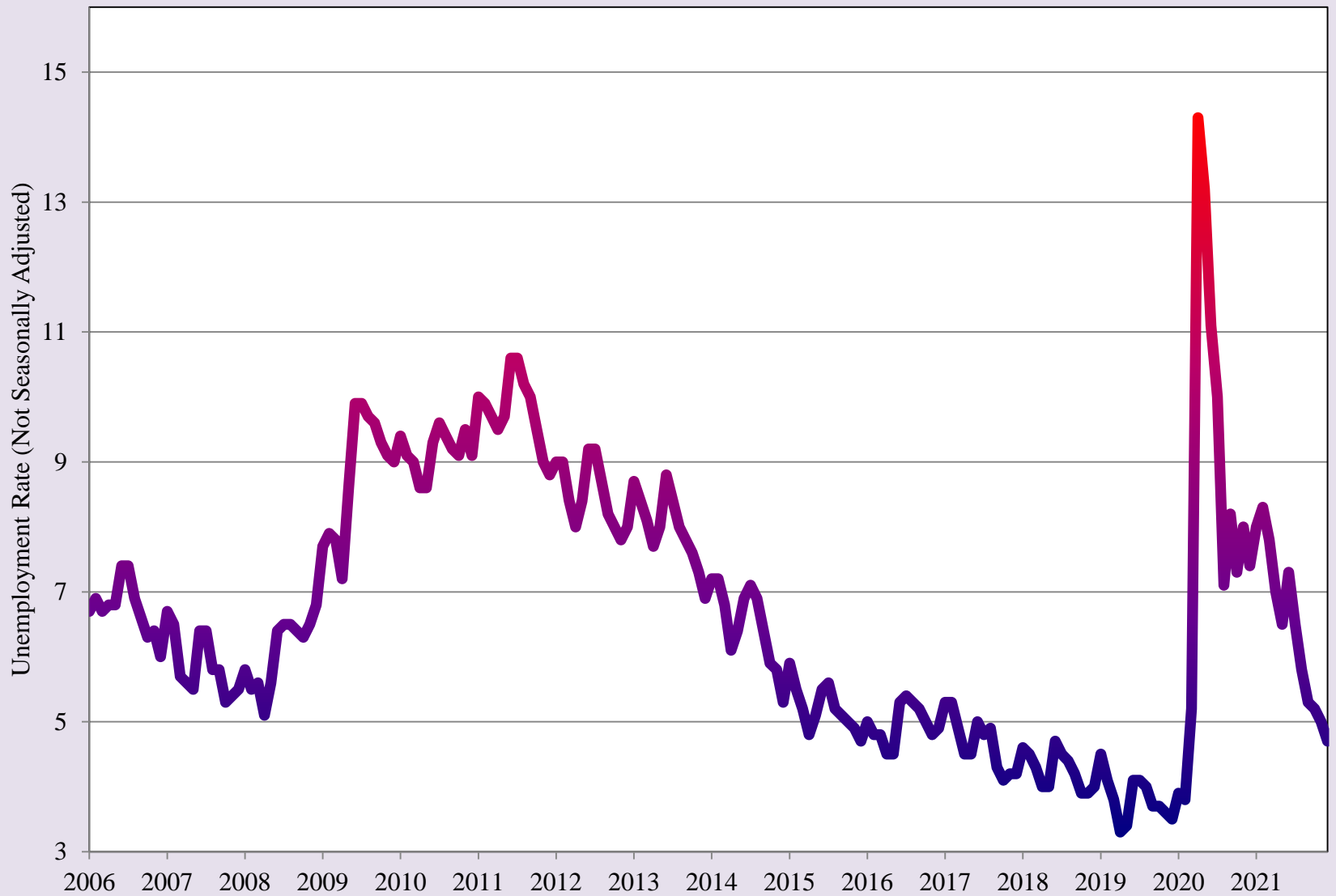
El Paso County Unemployment Rate

2020 2021



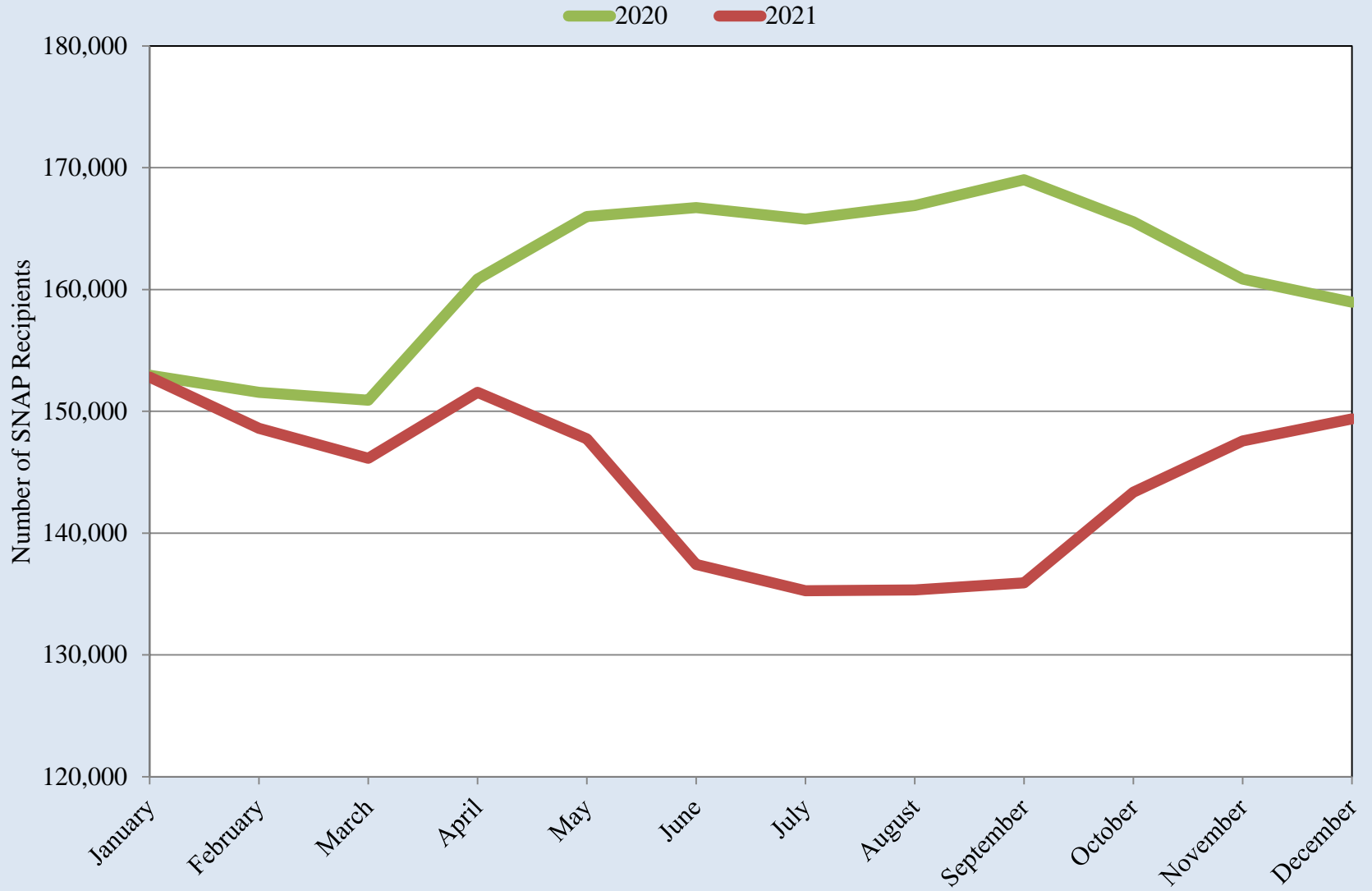
Source: Bureau of Labor Statistics

El Paso County Unemployment Rate



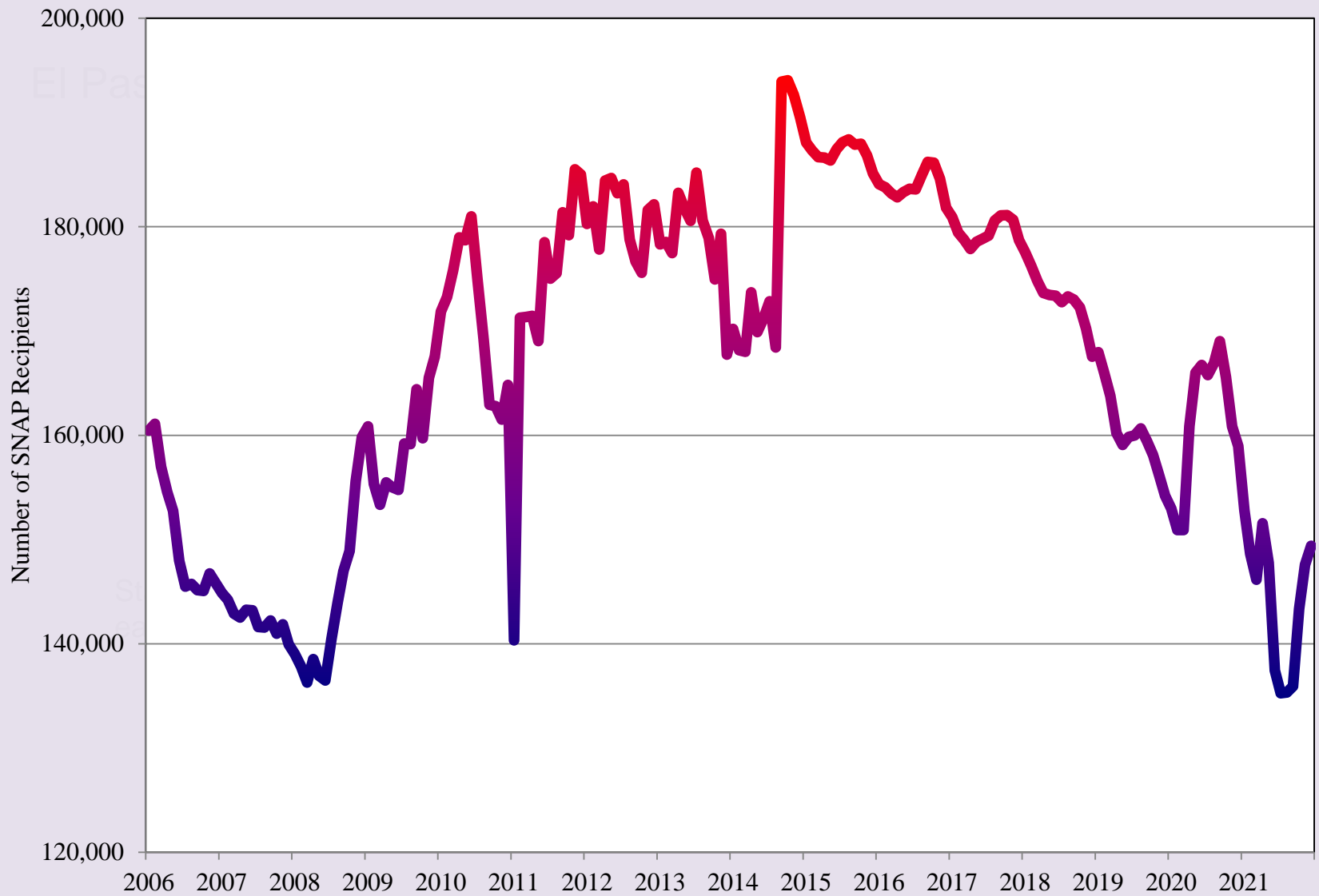
Source: Bureau of Labor Statistics

El Paso County SNAP (Food Stamp) Enrollment



Source: Texas Health and Human Services Commission

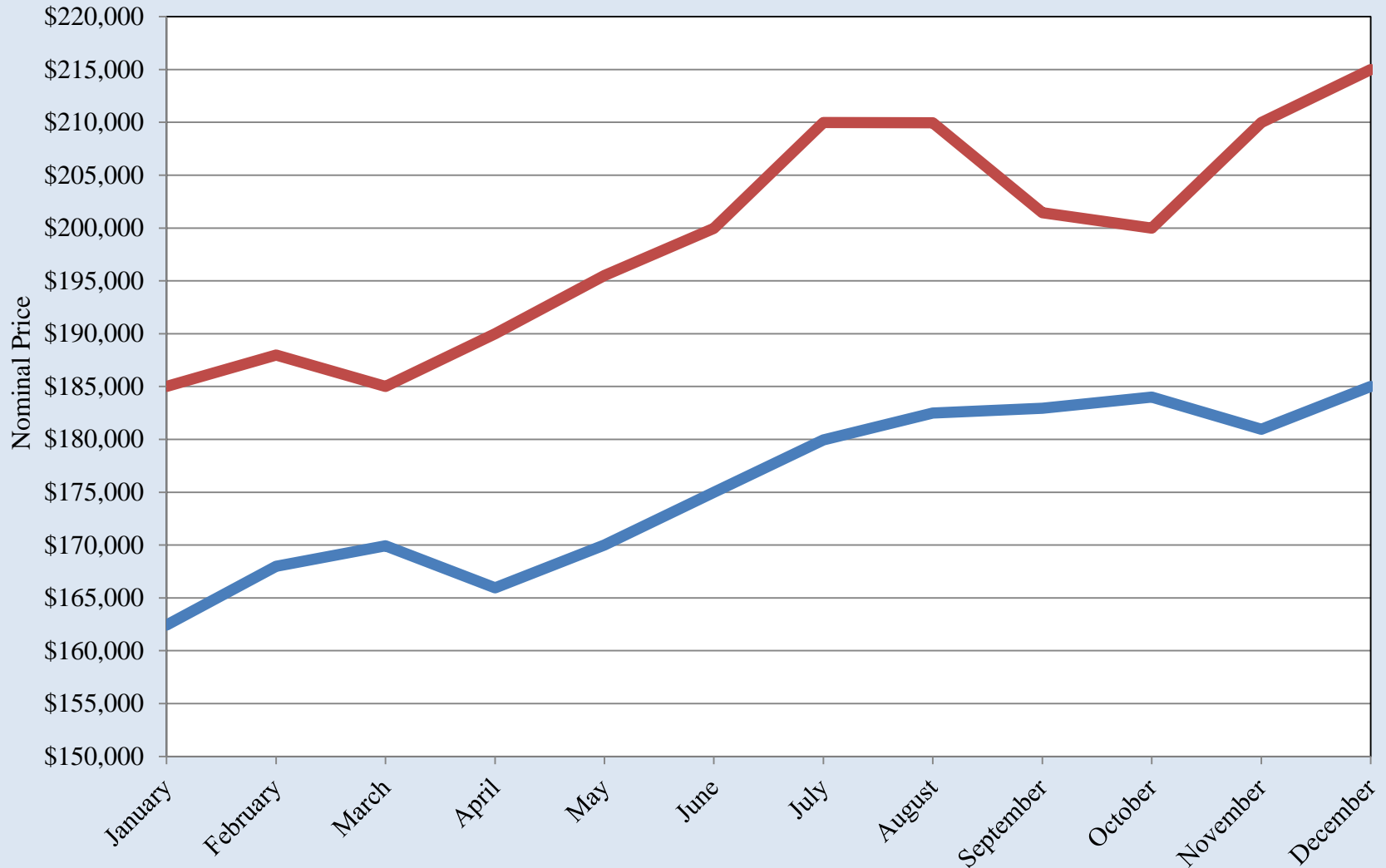
El Paso County SNAP (Food Stamp) Enrollment



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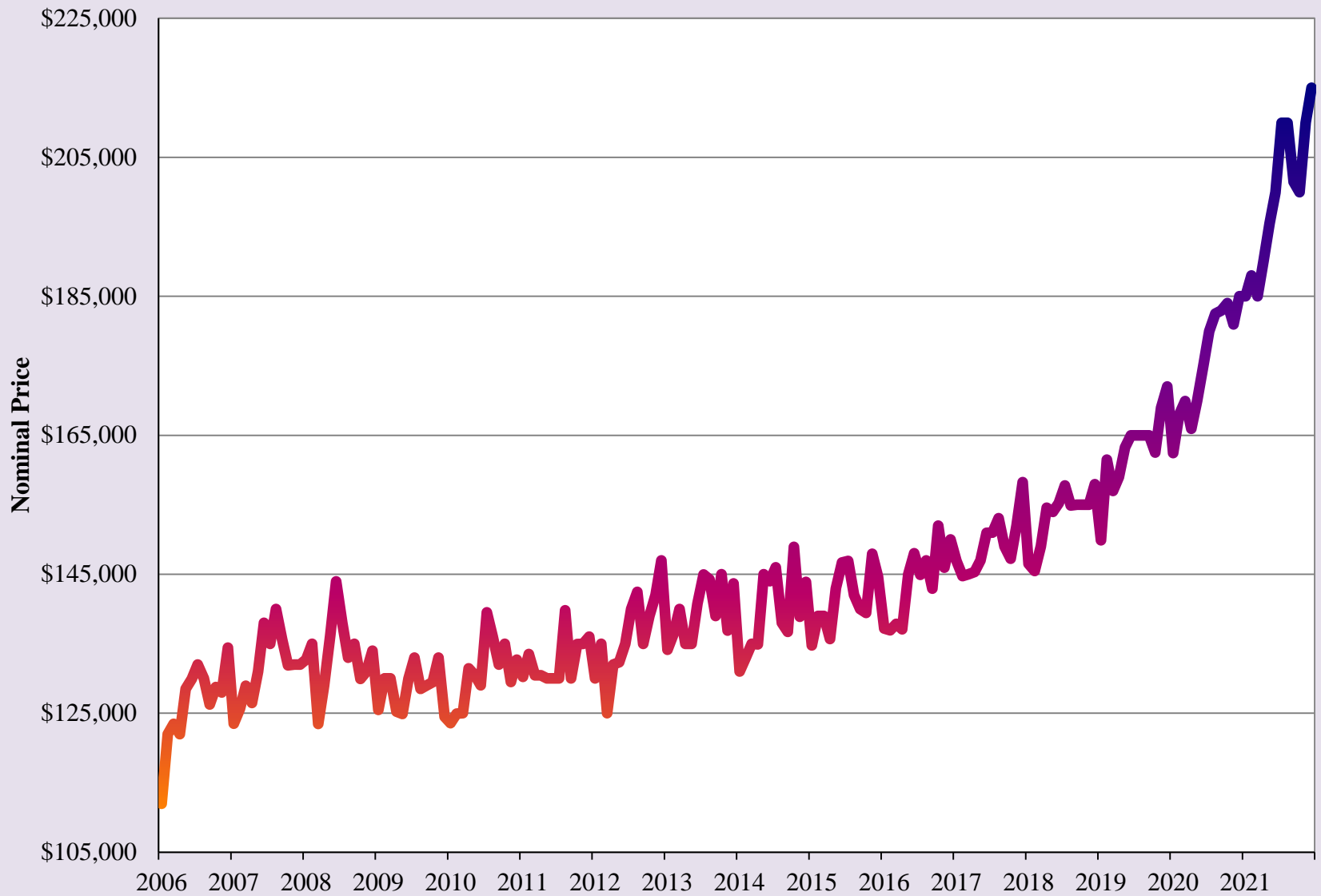
El Paso Median Housing Prices

— 2020 — 2021



Source: Texas A&M Real Estate Center

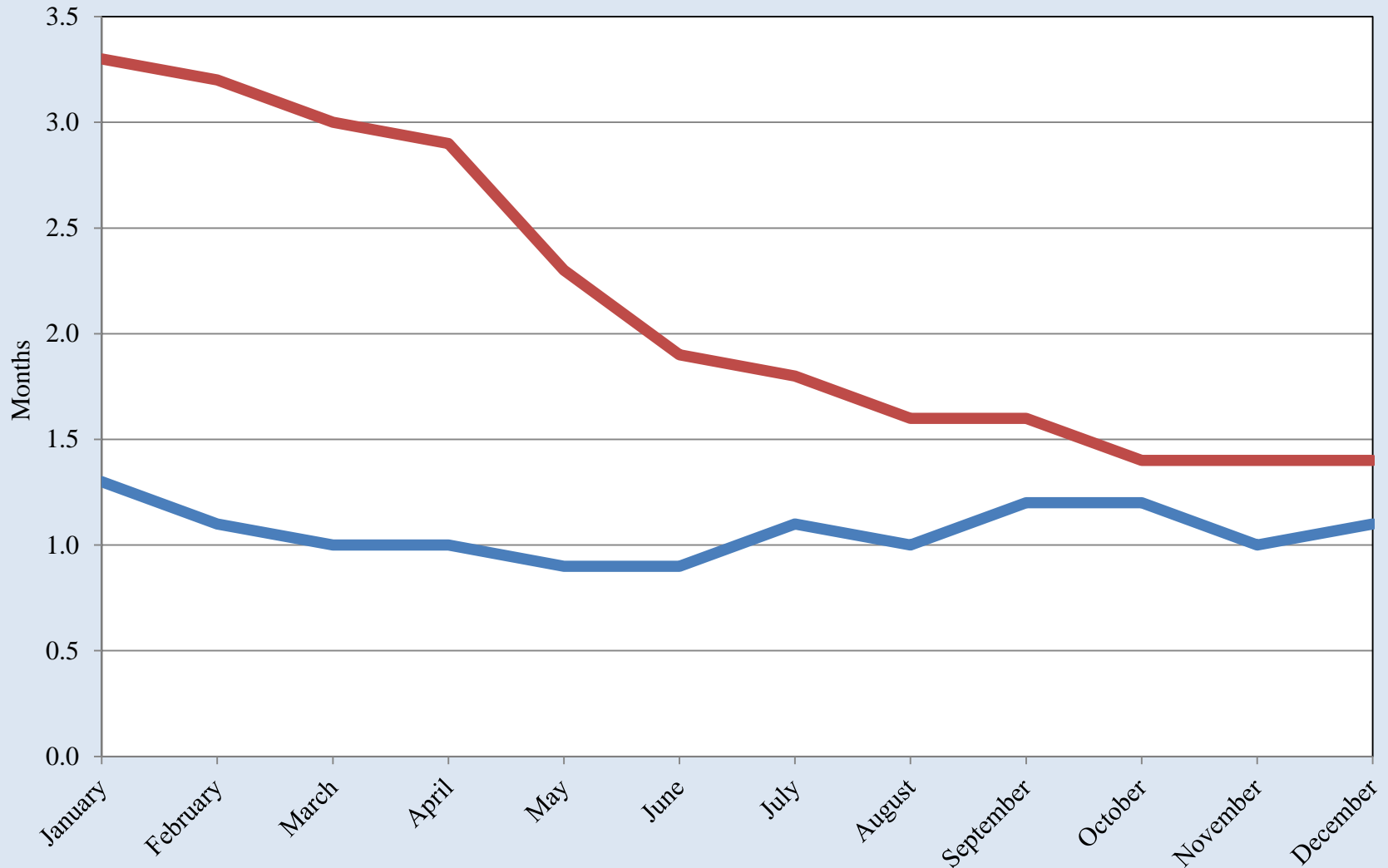
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Source: Texas A&M Real Estate Center

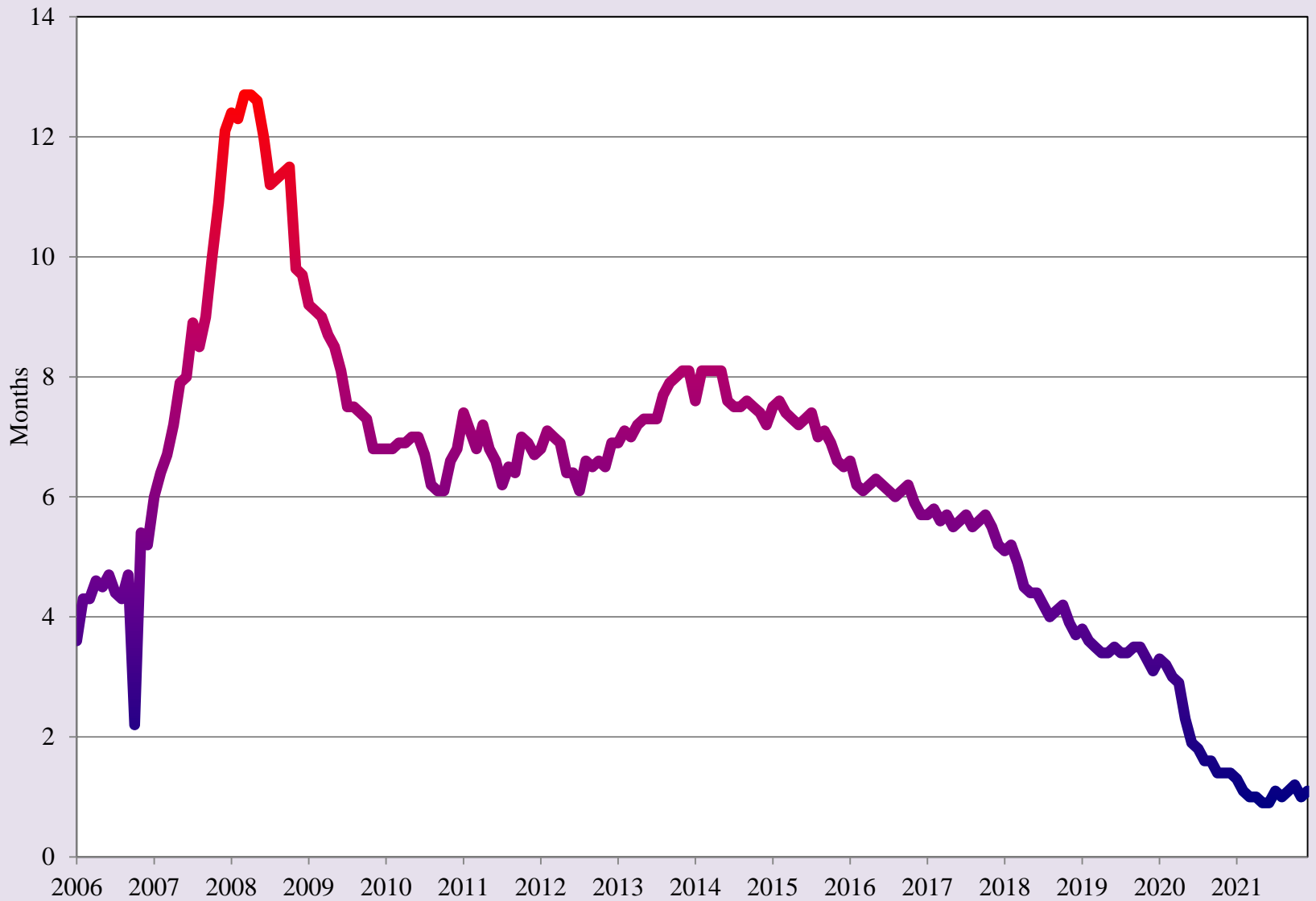
Months of Housing Inventory for El Paso

2020 2021



Source: Texas A&M Real Estate Center

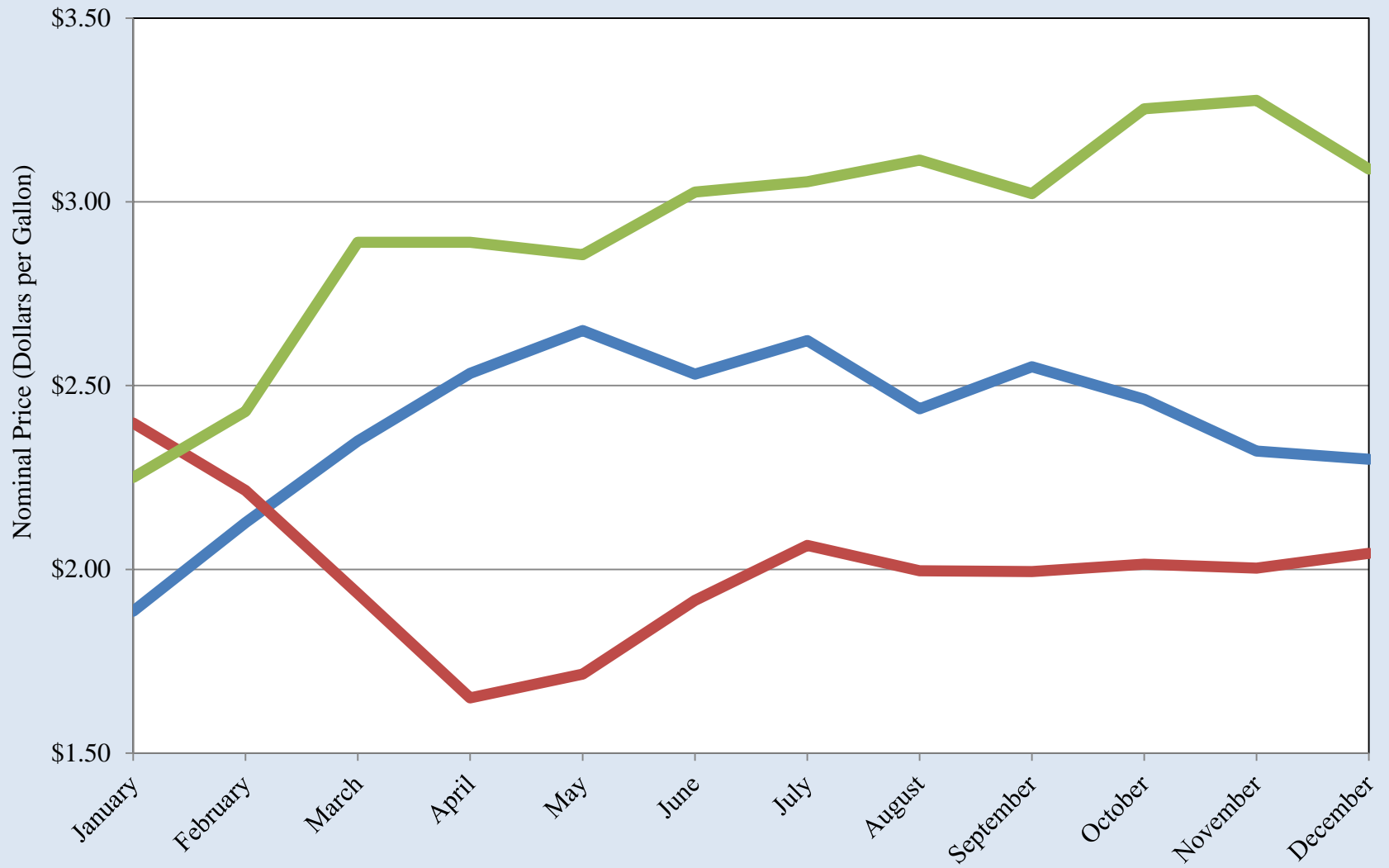
Months of Housing Inventory for El Paso



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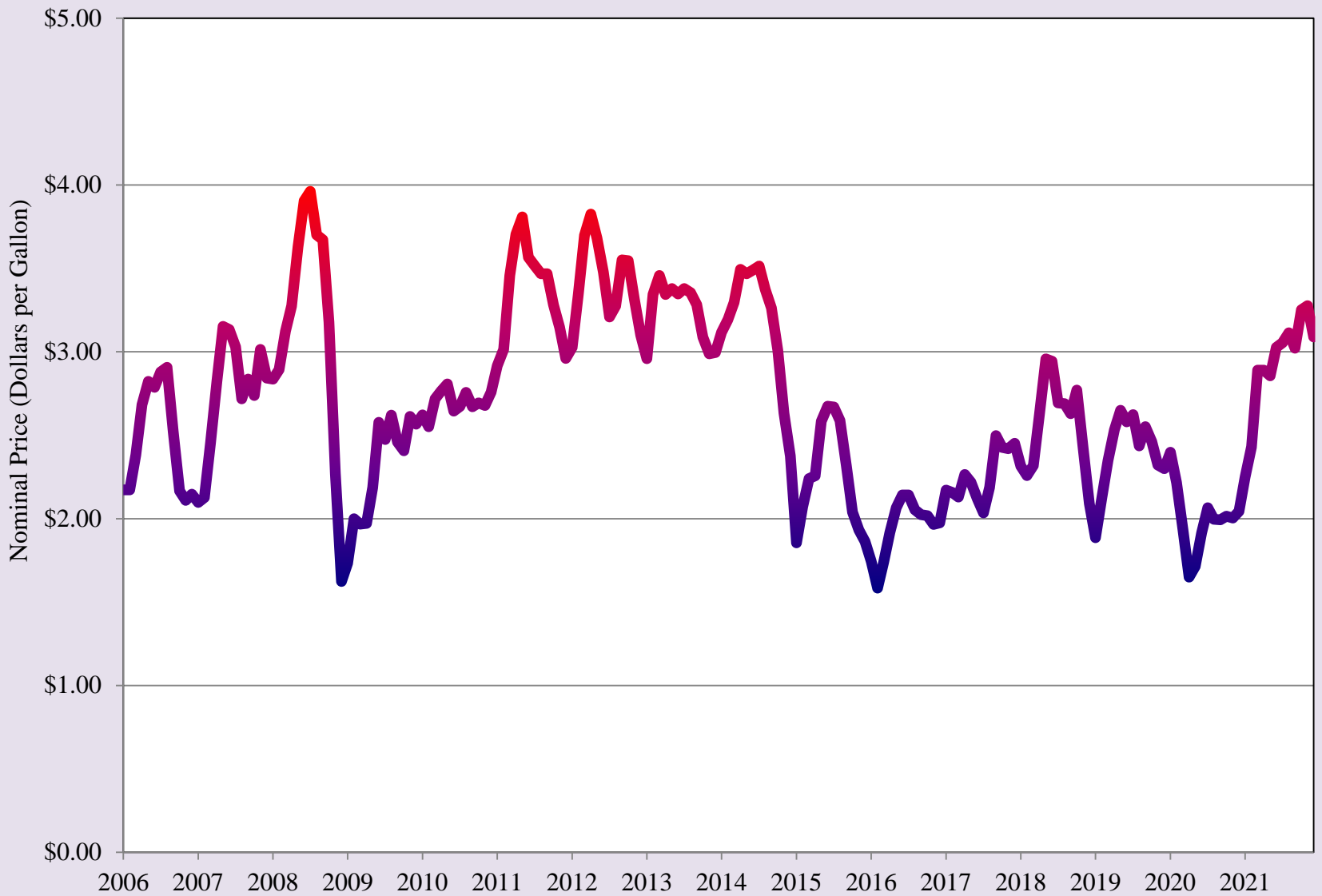
El Paso Gasoline Prices

2019 2020 2021



Source: GasBuddy.com

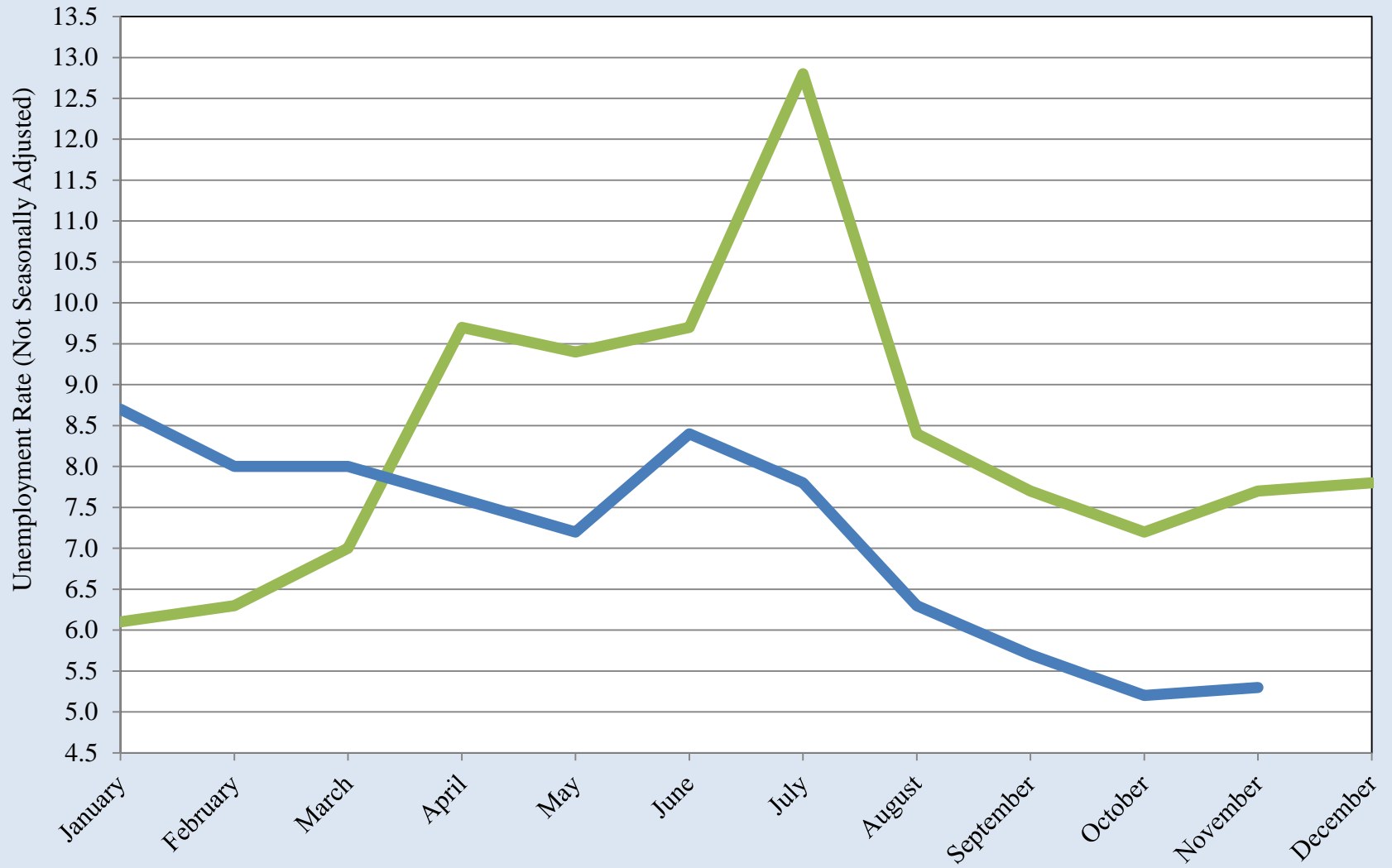
El Paso Gasoline Prices



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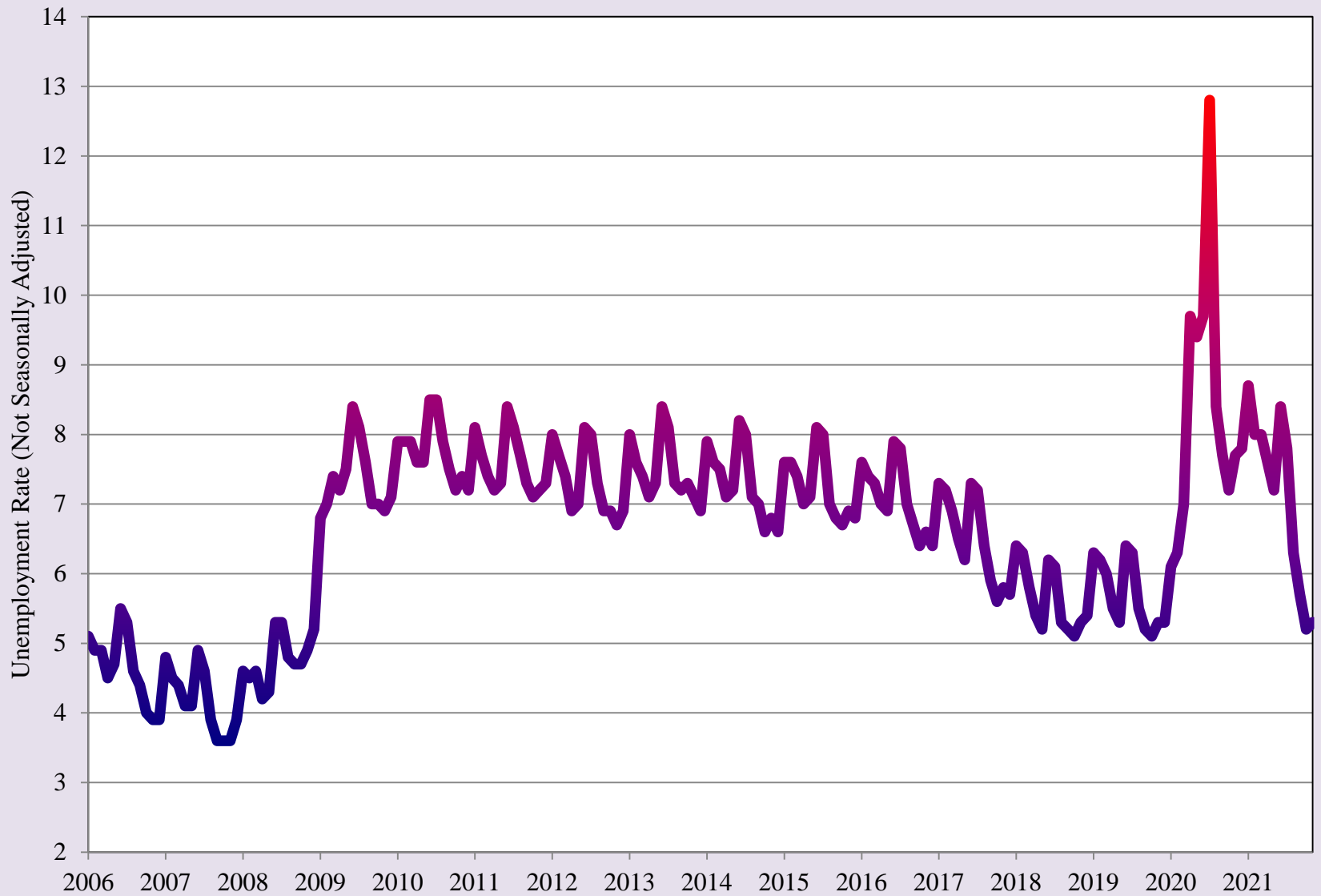
Doña Ana County Unemployment Rate

2020 2021



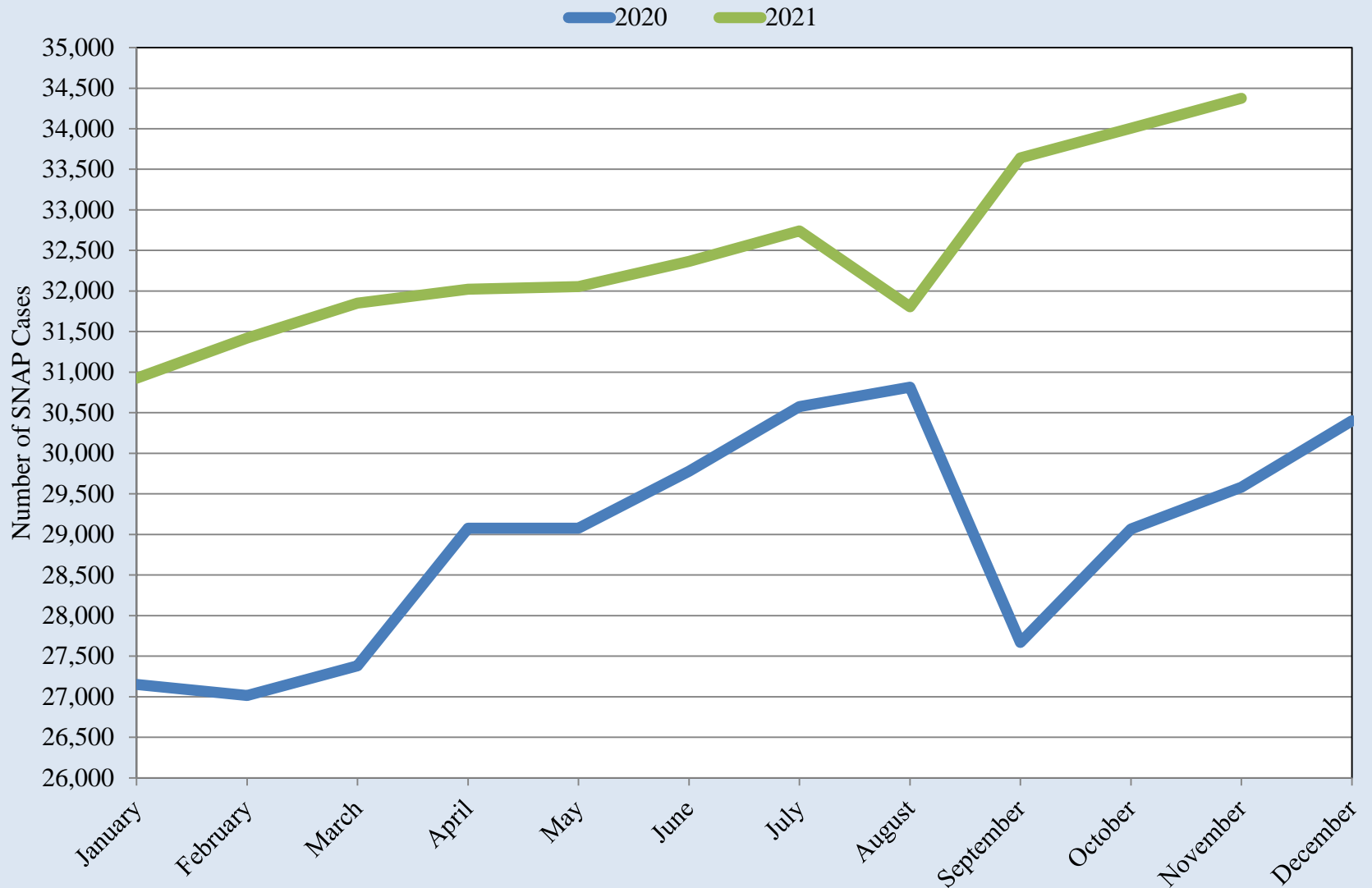
Source: Bureau of Labor Statistics

Doña Ana County Unemployment Rate



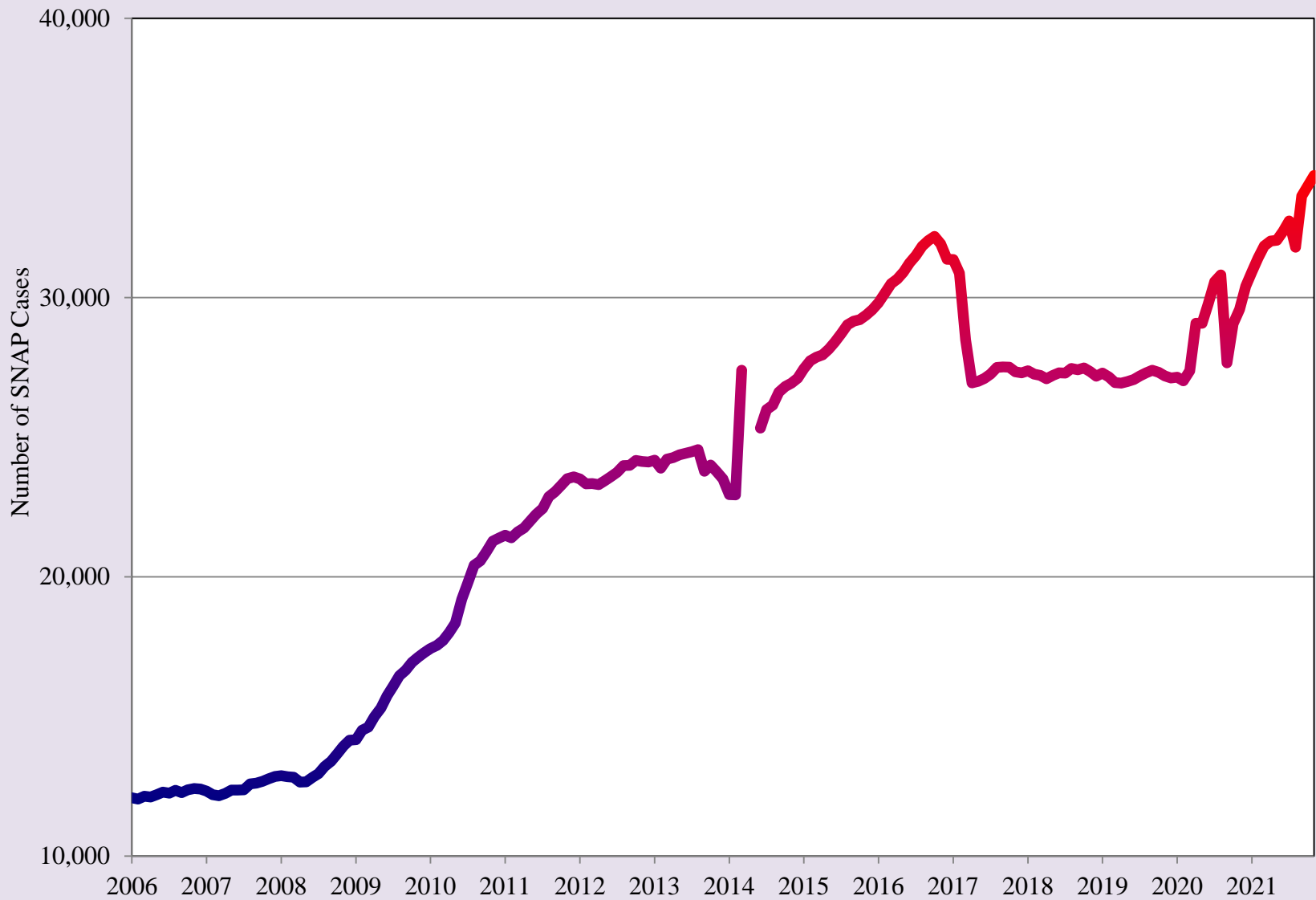
Source: Bureau of Labor Statistics

Las Cruces Area SNAP (Food Stamp) Cases



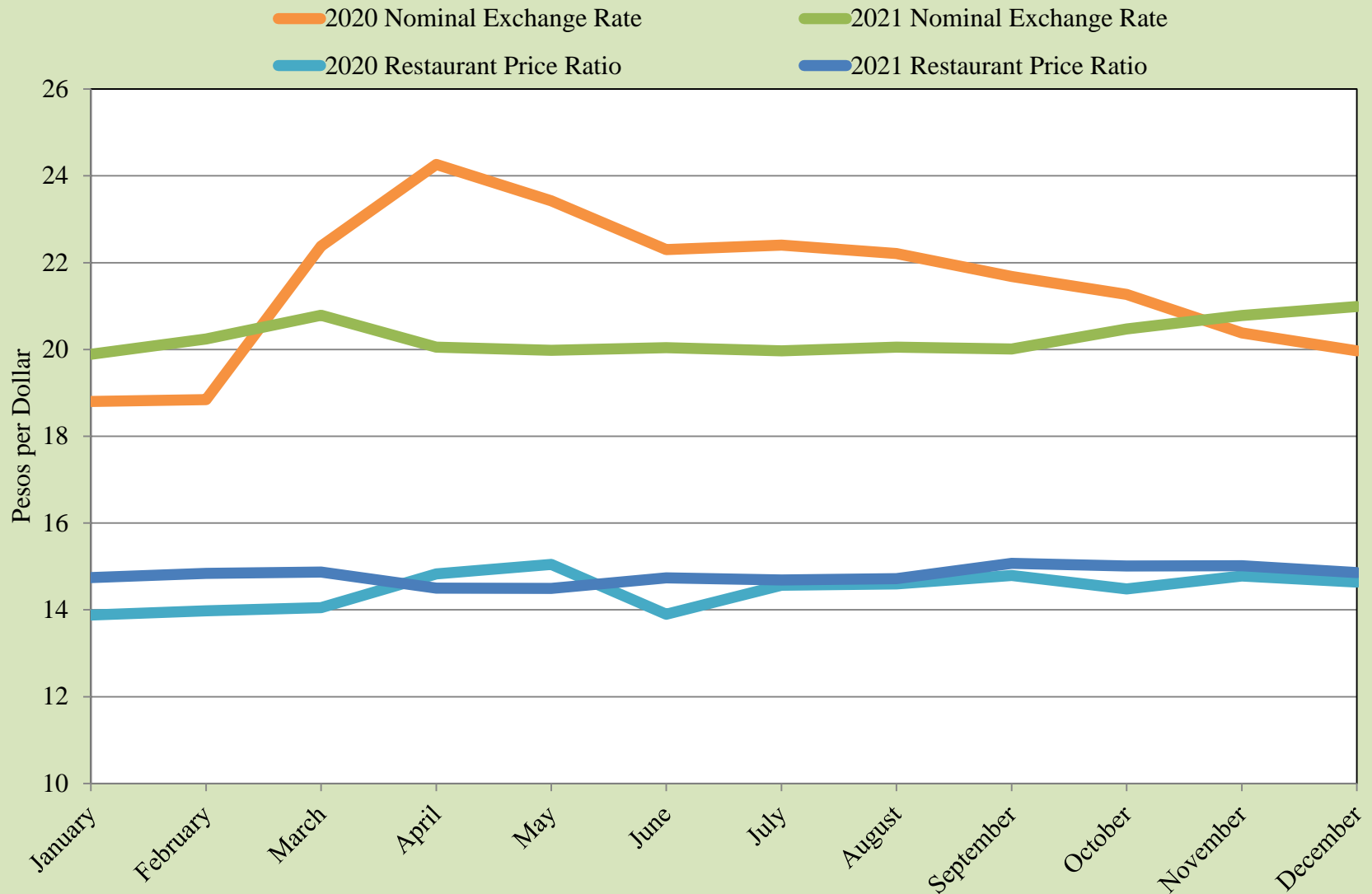
Source: New Mexico Human Services Department

Las Cruces Area SNAP (Food Stamp) Cases



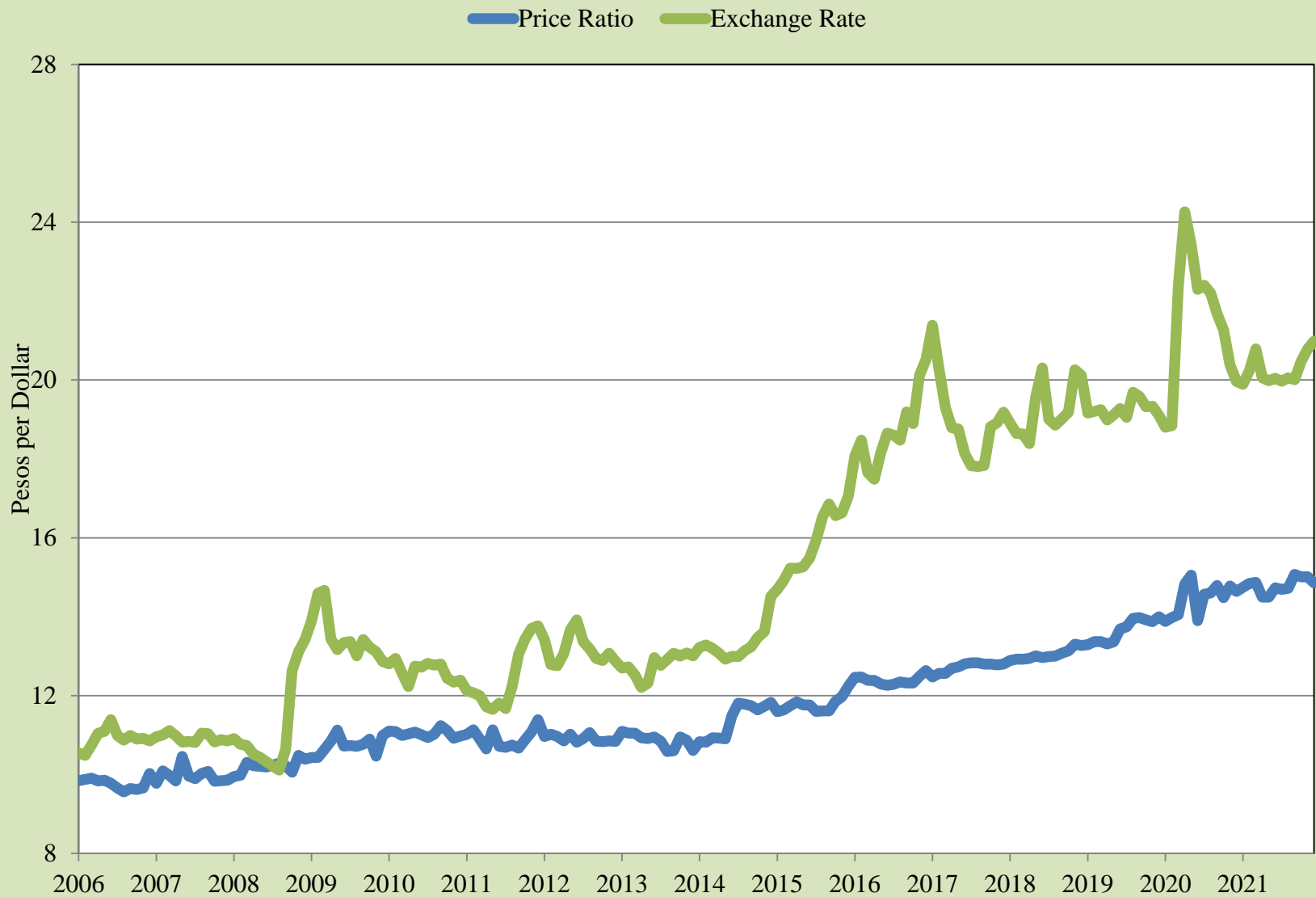
Source: New Mexico Human Services Department

Restaurant Price Ratio and Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

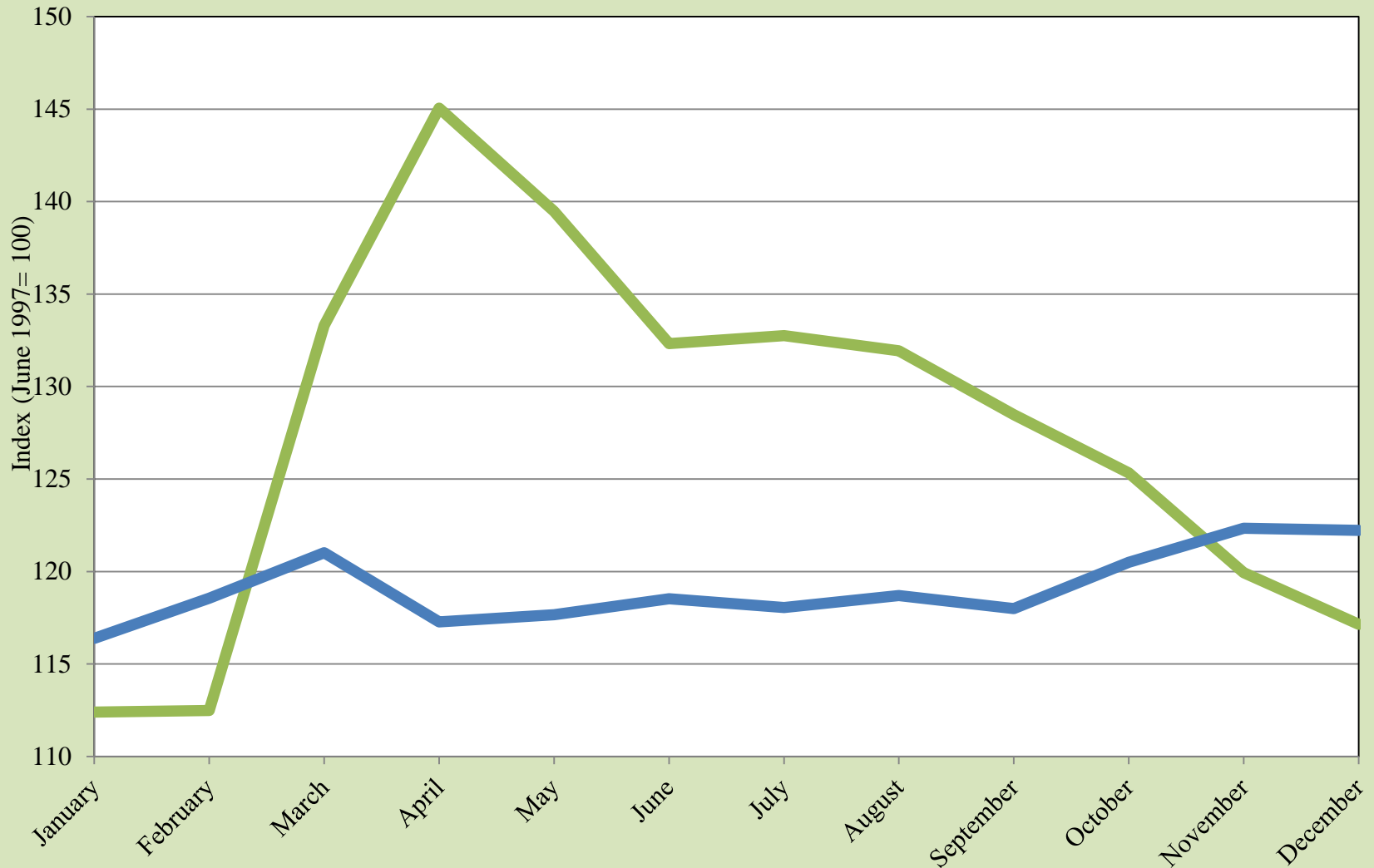
Restaurant Price Ratio and Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

Real Peso-per-Dollar Exchange Rate Index

— 2020 — 2021



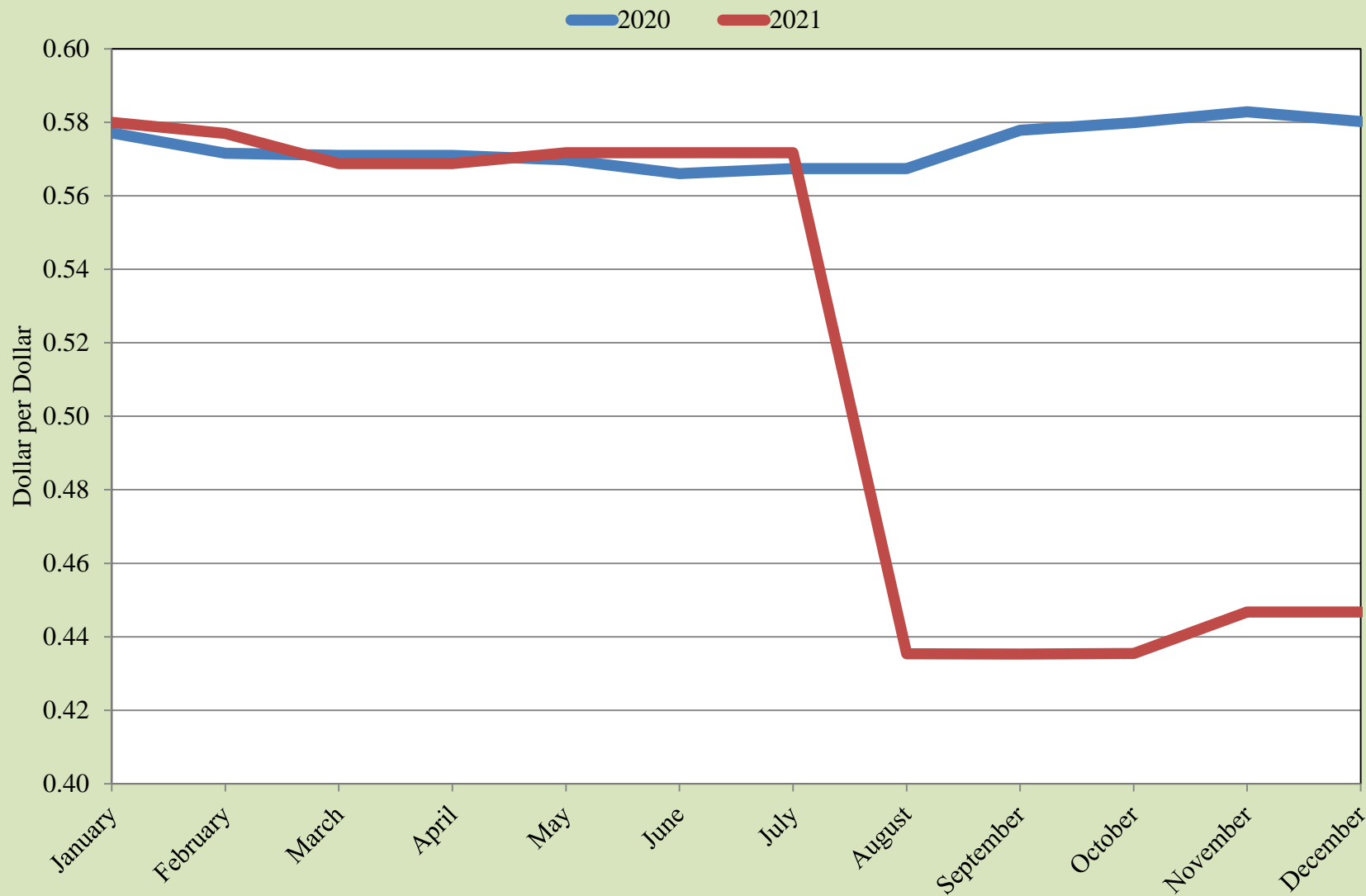
Source: UTEP Border Region Modeling Project

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, goodrx.com, medsmex.com

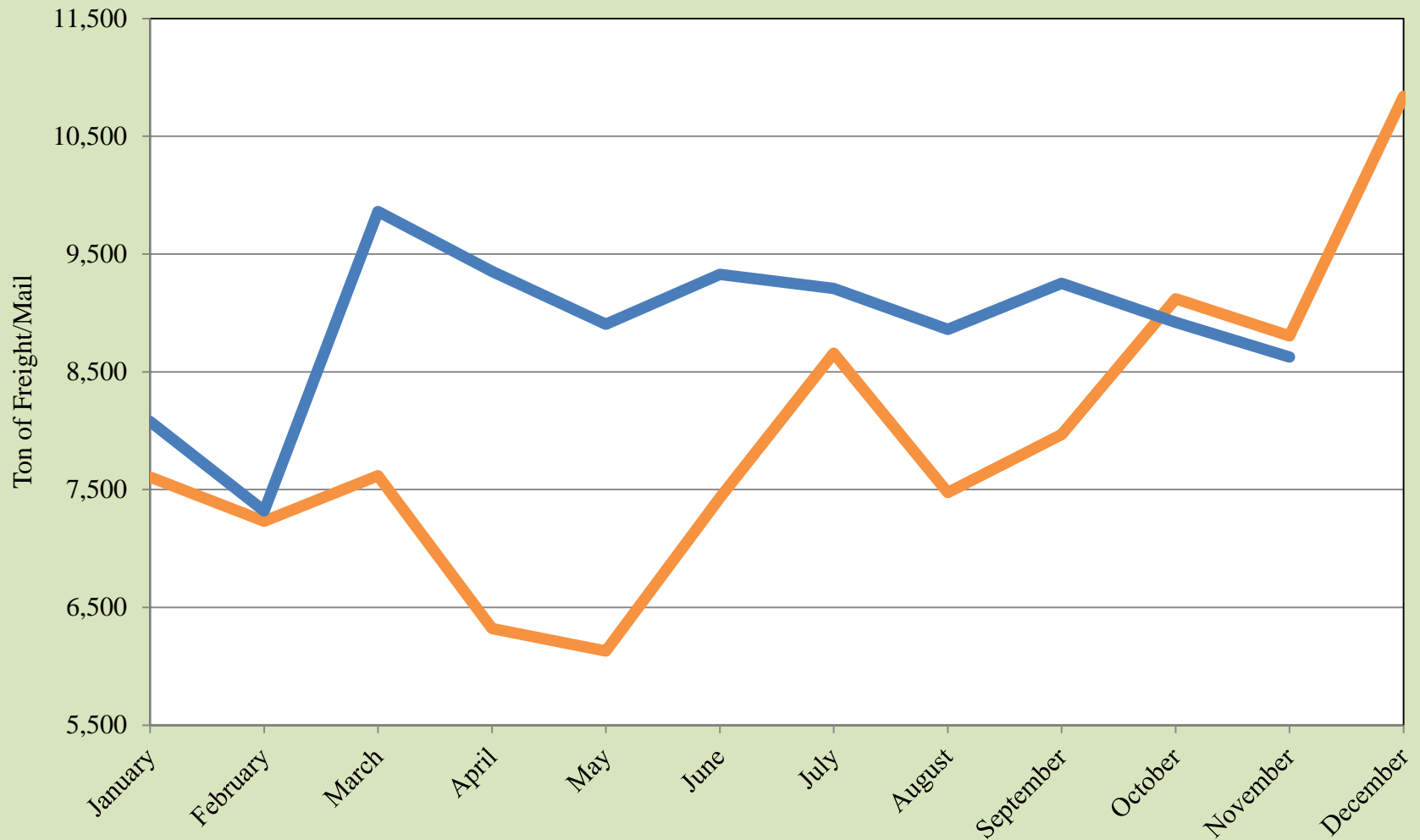
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EPIA Freight and Mail

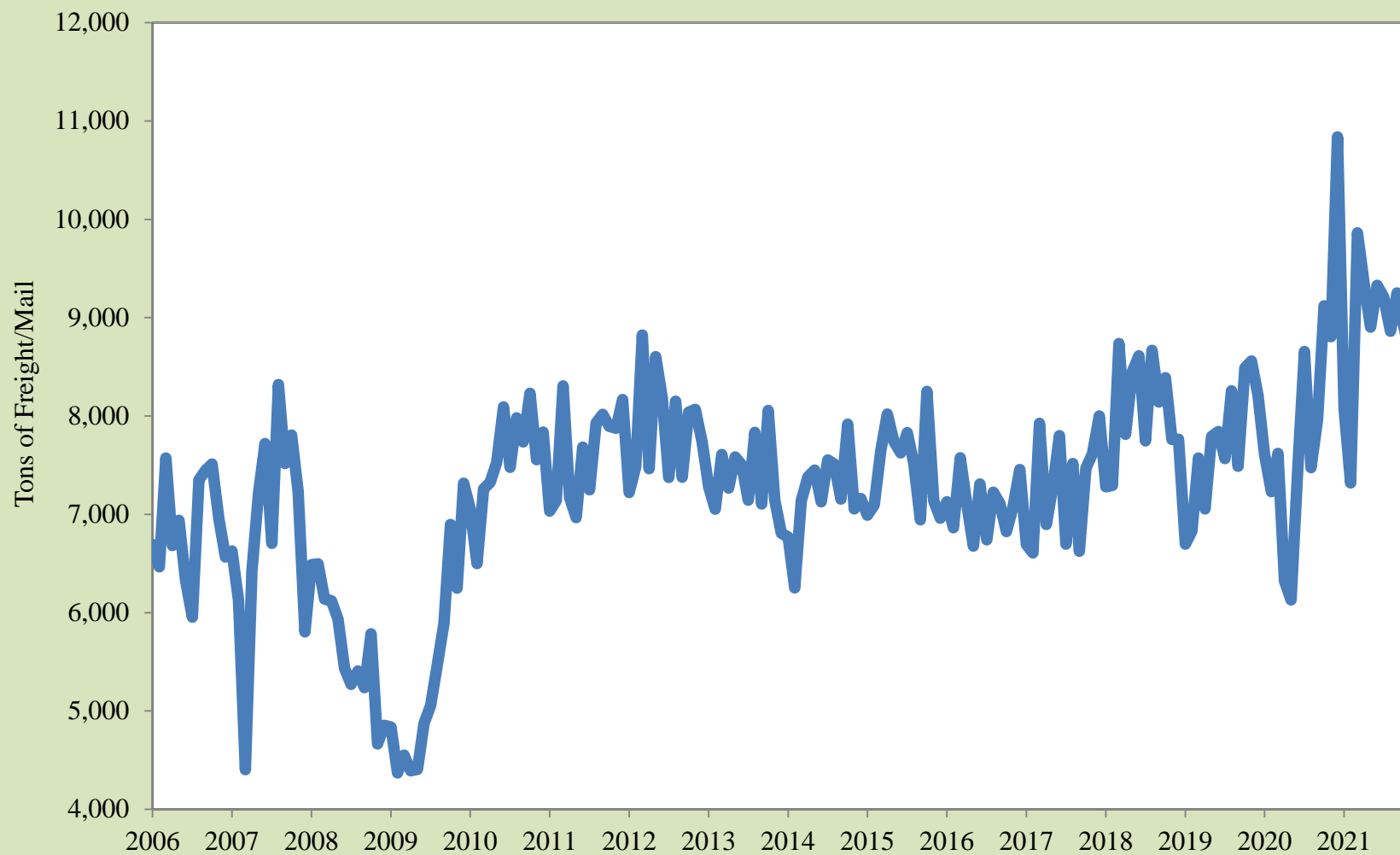
Total 2020 Total 2021



Source: EPIA Operations

EPIA Freight and Mail

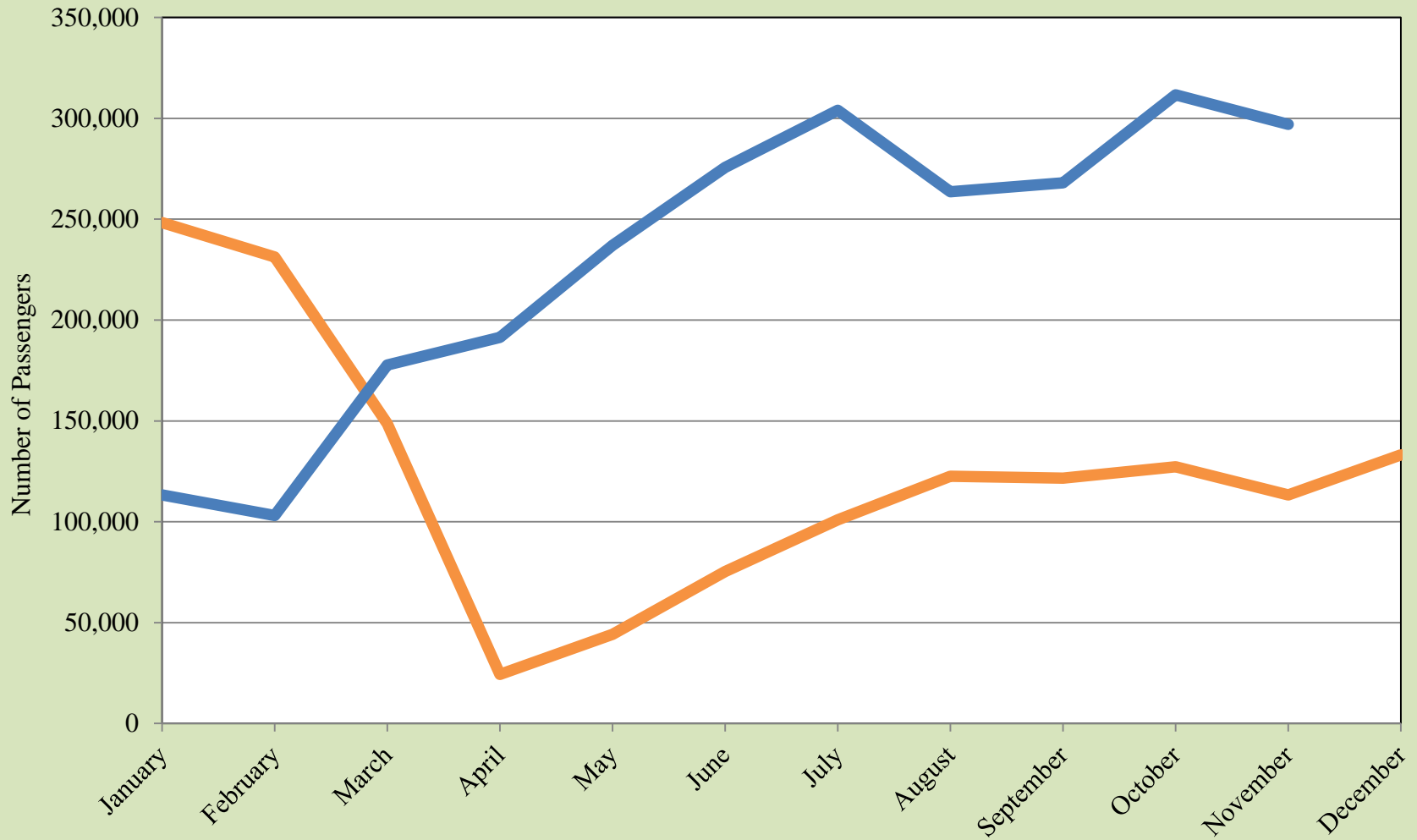
— Inbound+Outbound



Source: EPIA Operations

EPIA Passengers

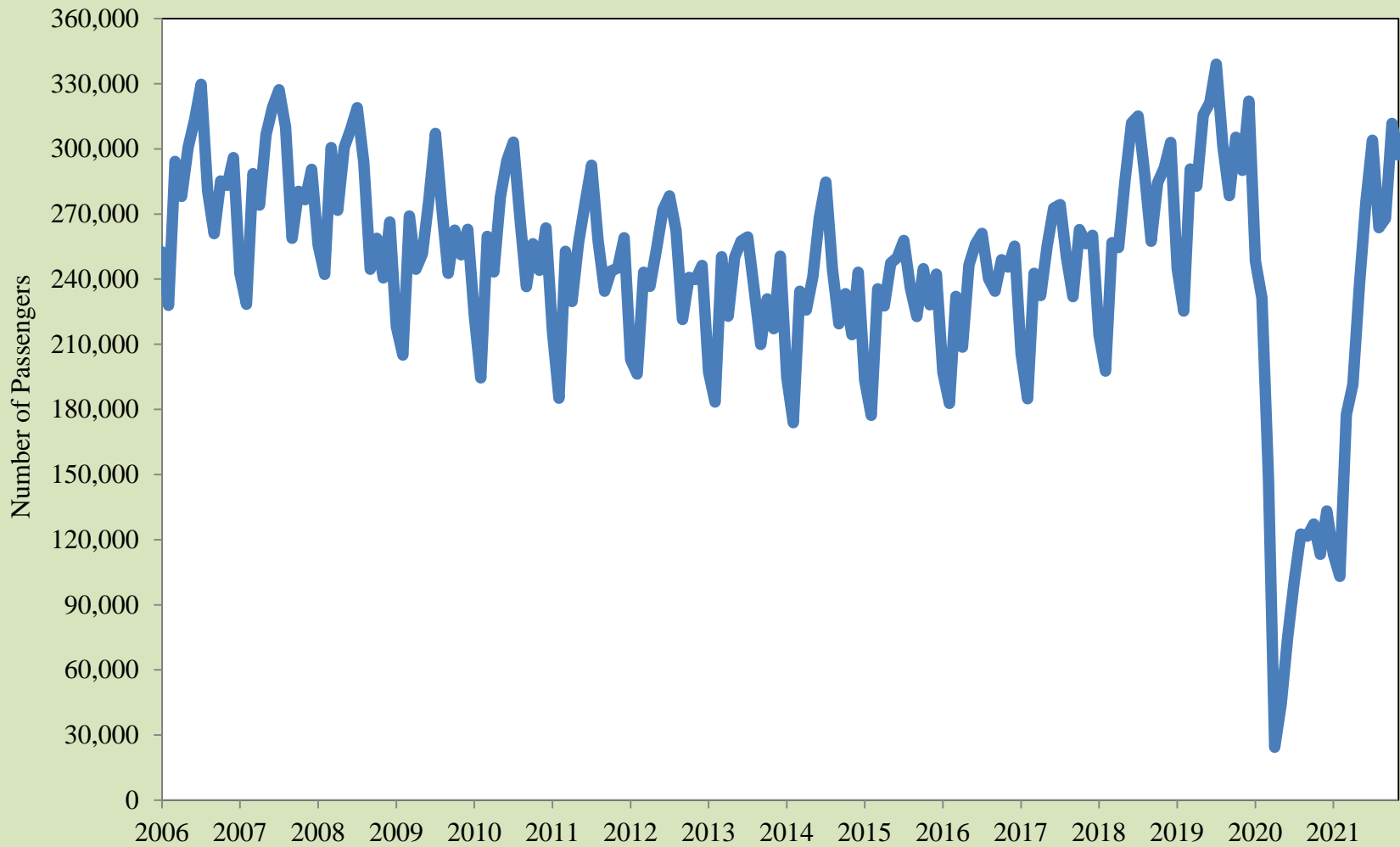
Total 2020 Total 2021



Source: EPIA Operations

EPIA Passengers

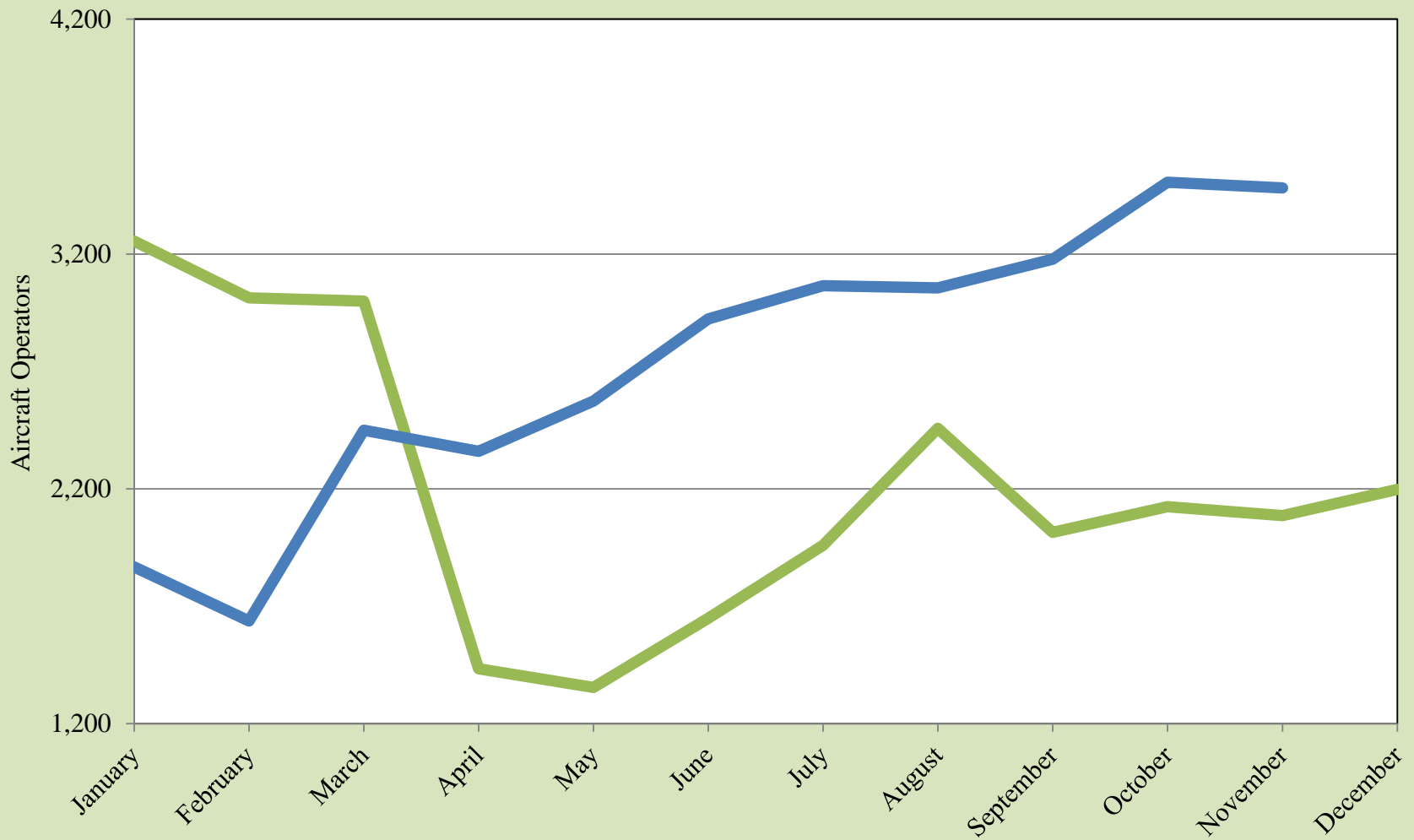
— Inbound+Outbound



Source: EPIA Operations

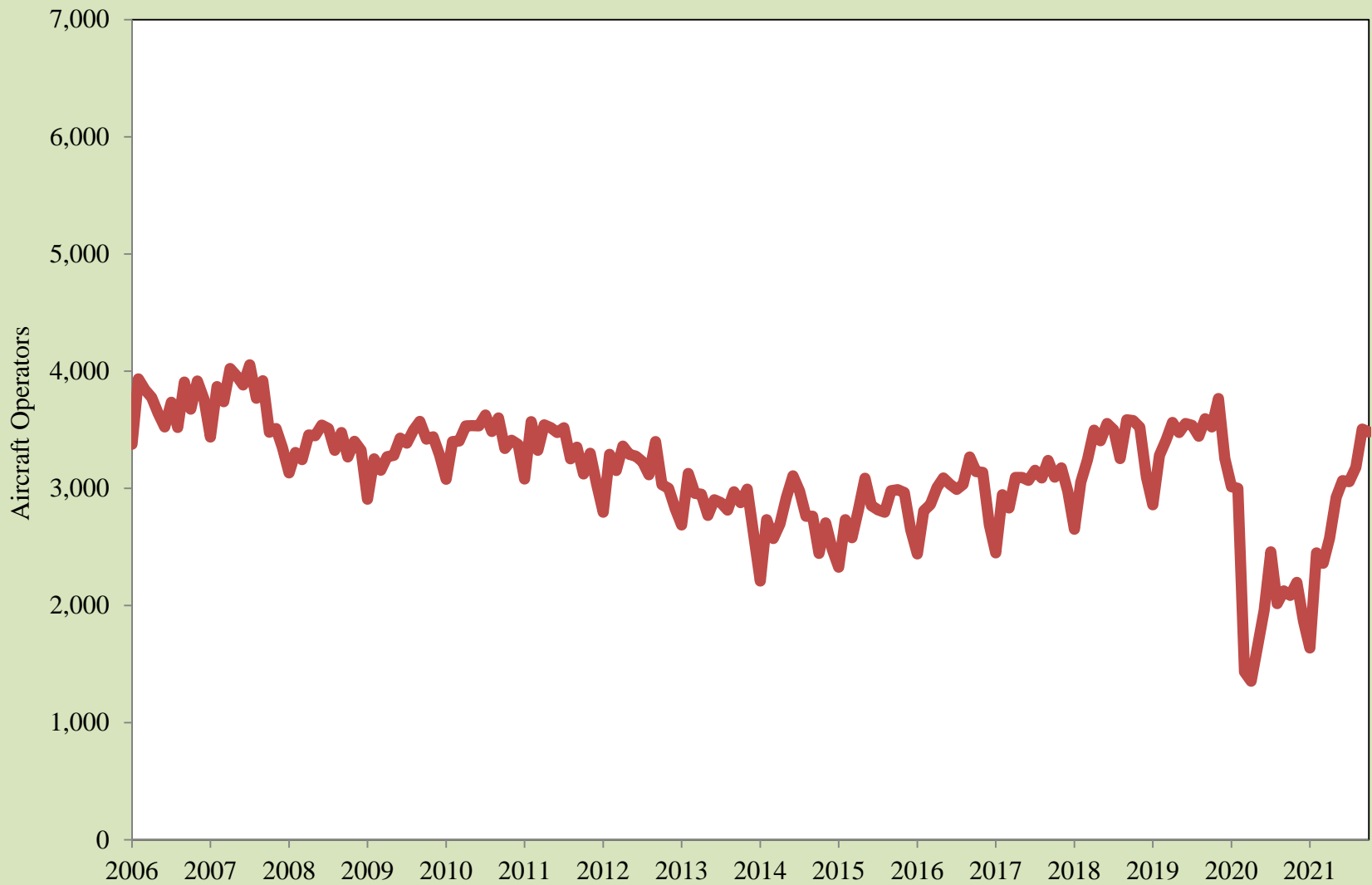
EPIA Air Carrier Operations

20-Air Carriers 21-Air Carriers



Source: EPIA Operations

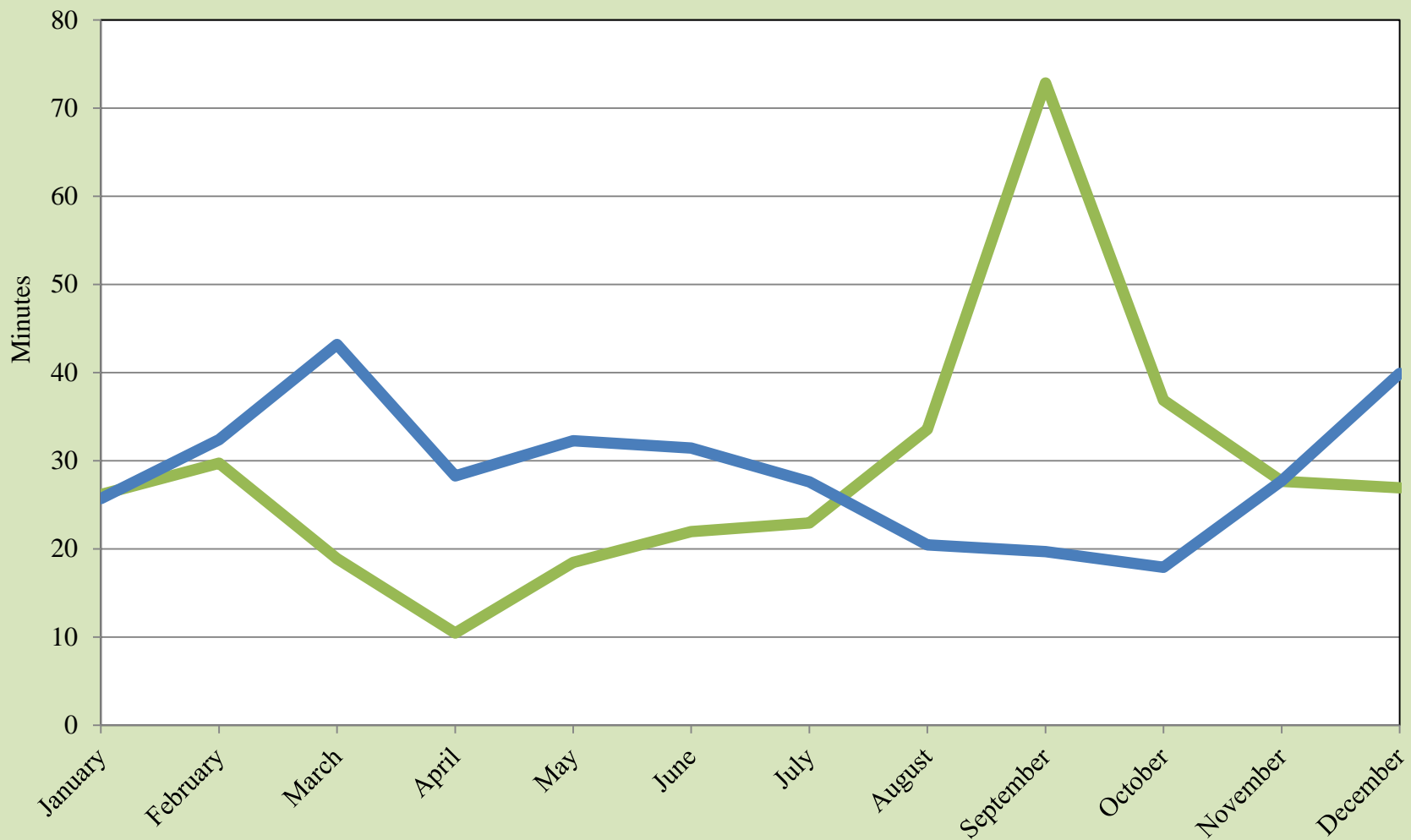
EPIA Air Carrier Operations



Source: EPIA Operations

Paso del Norte Monthly Wait Times

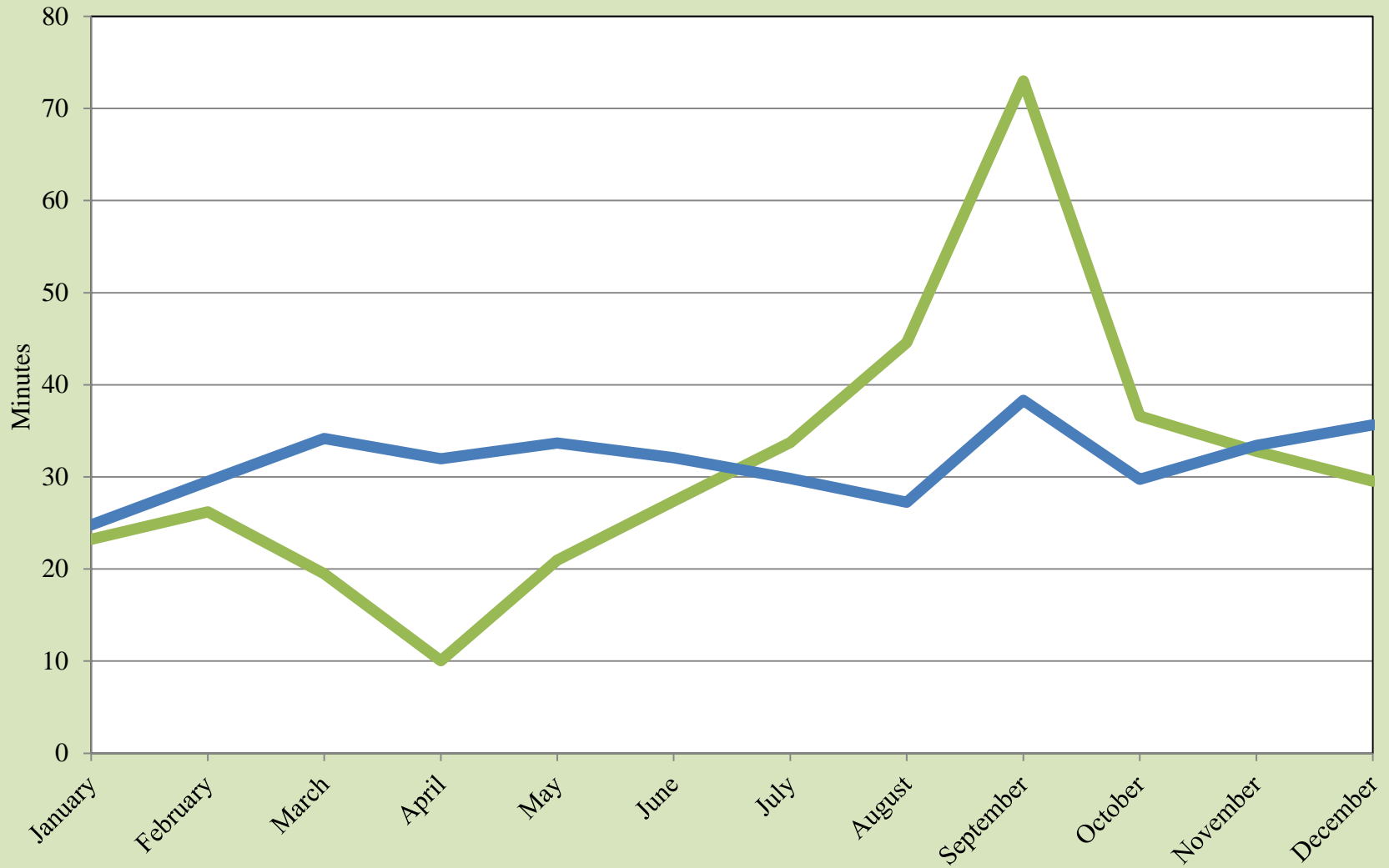
2020 2021



Source: UTEP Border Region Modeling Project

Ysleta Monthly Wait Times

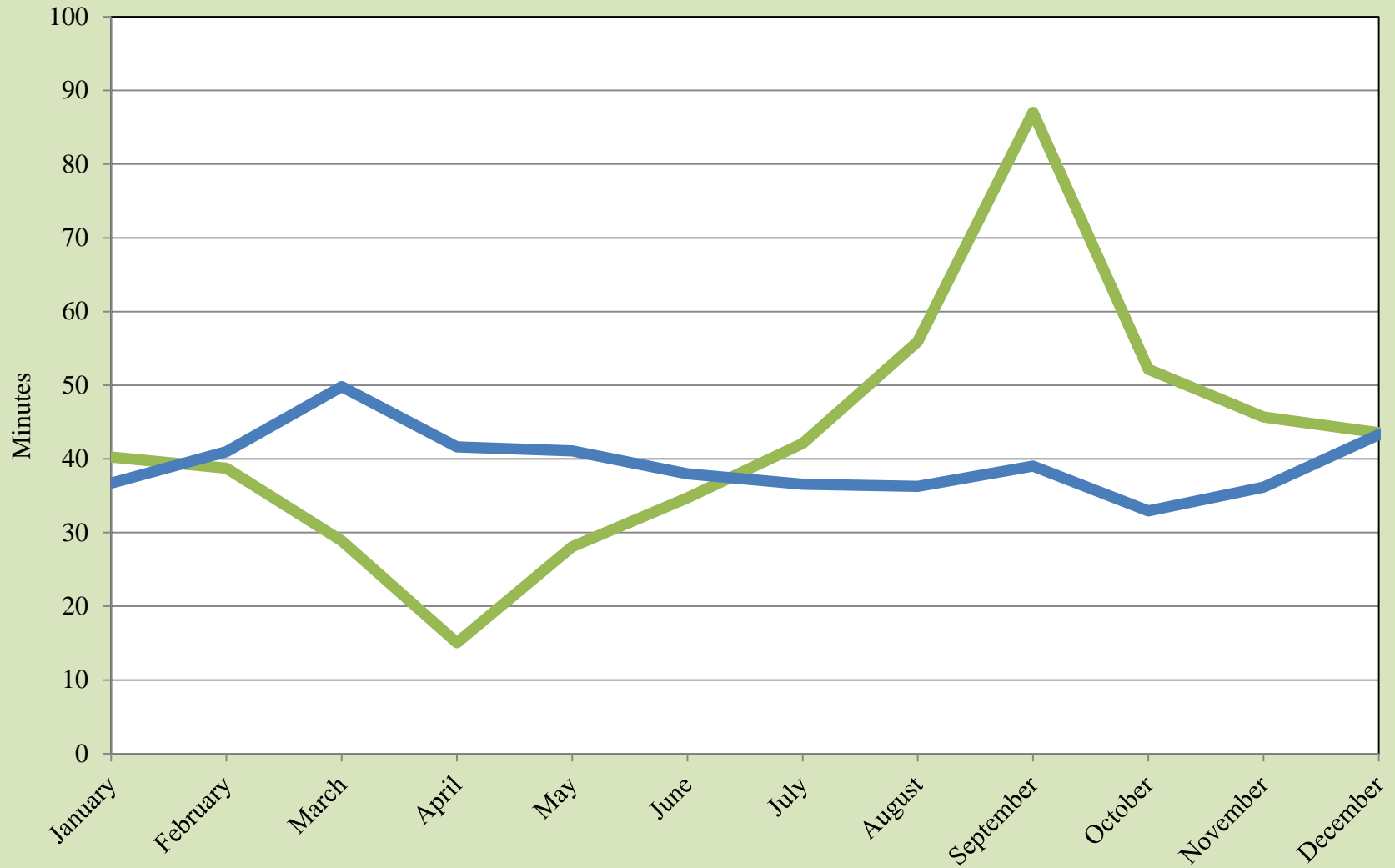
2020 2021



Source: UTEP Border Region Modeling Project

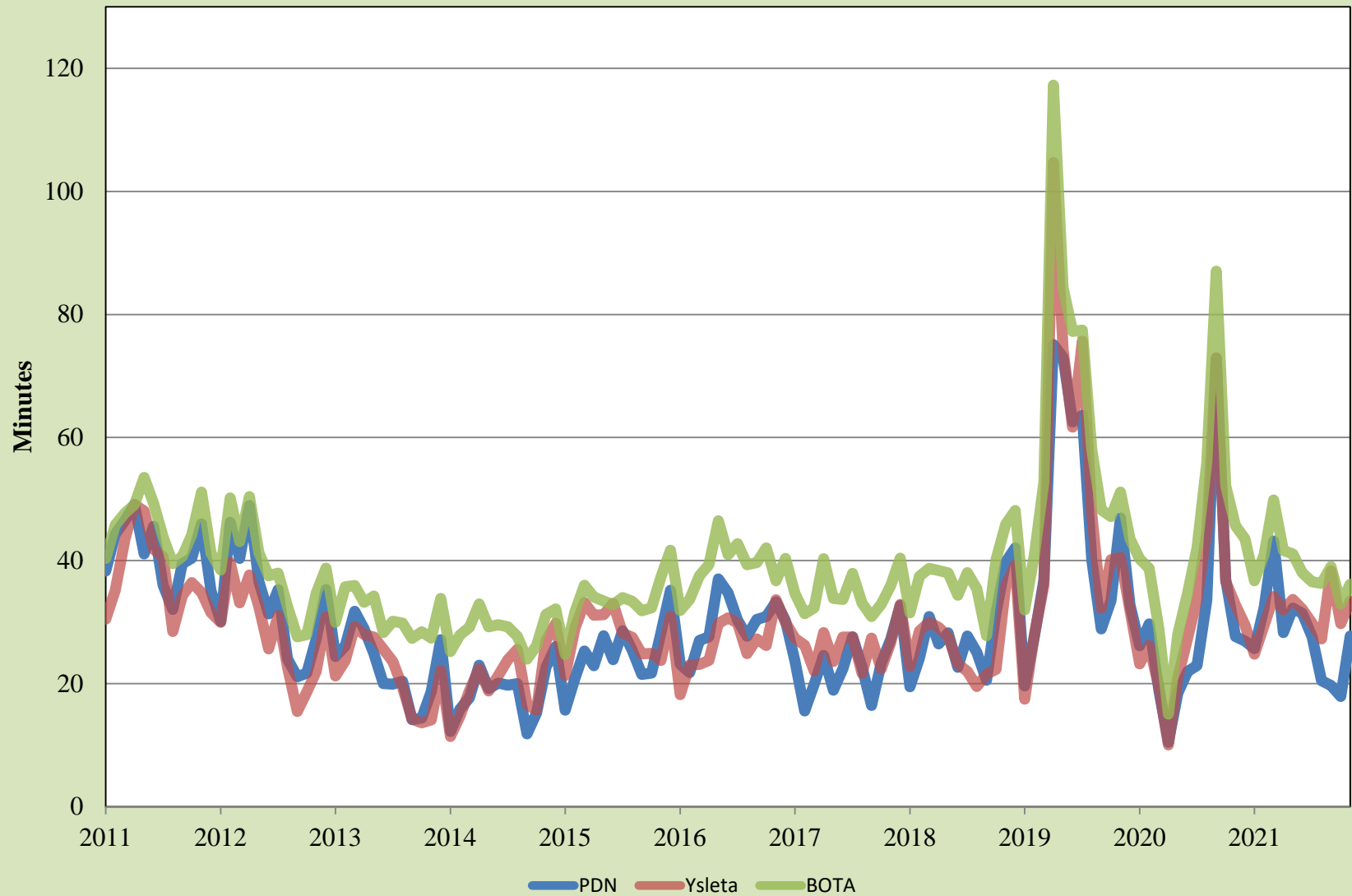
Bridge of the Americas Monthly Wait Times

2020 2021



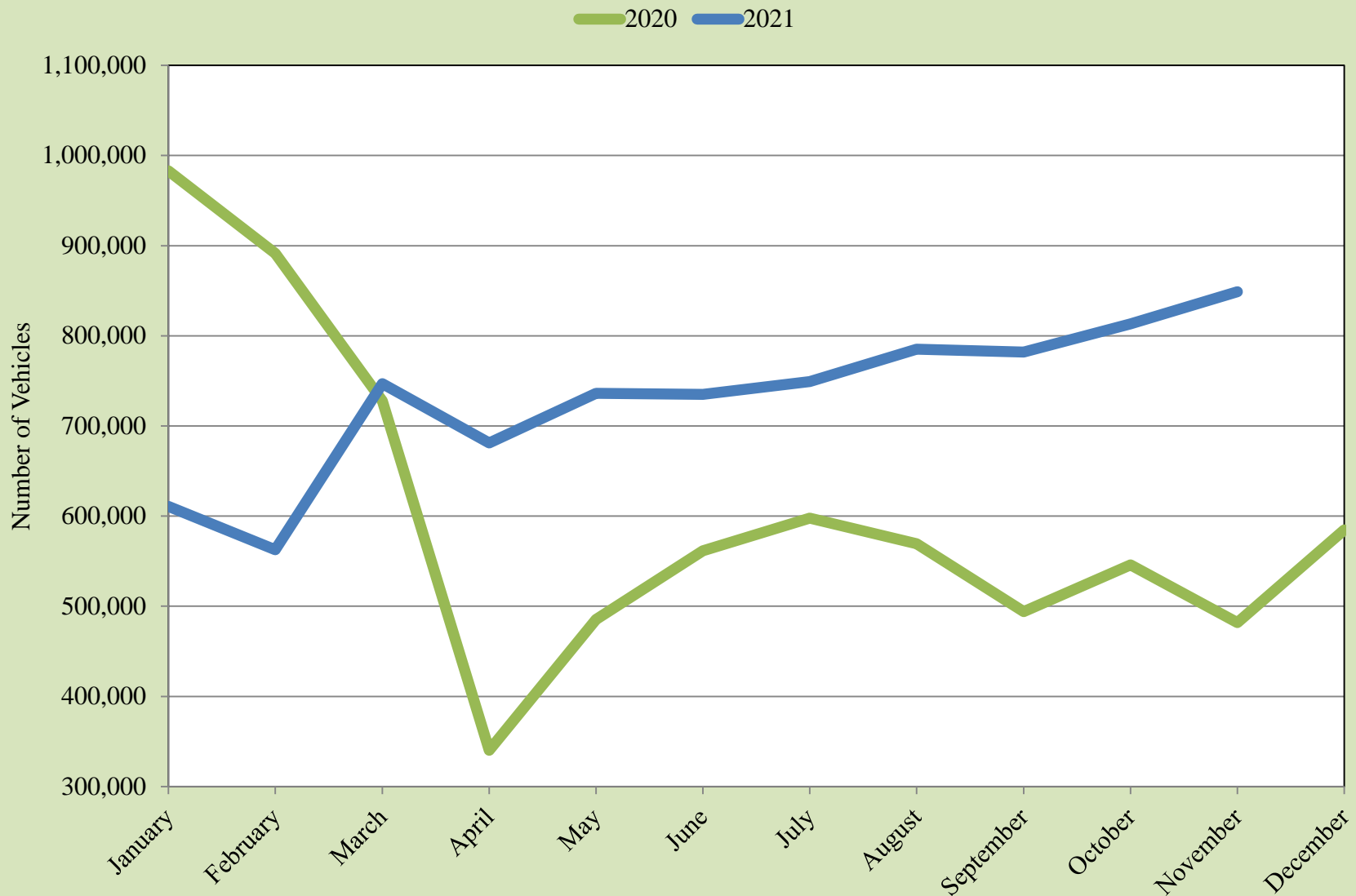
Source: UTEP Border Region Modeling Project

Monthly Border Wait Times



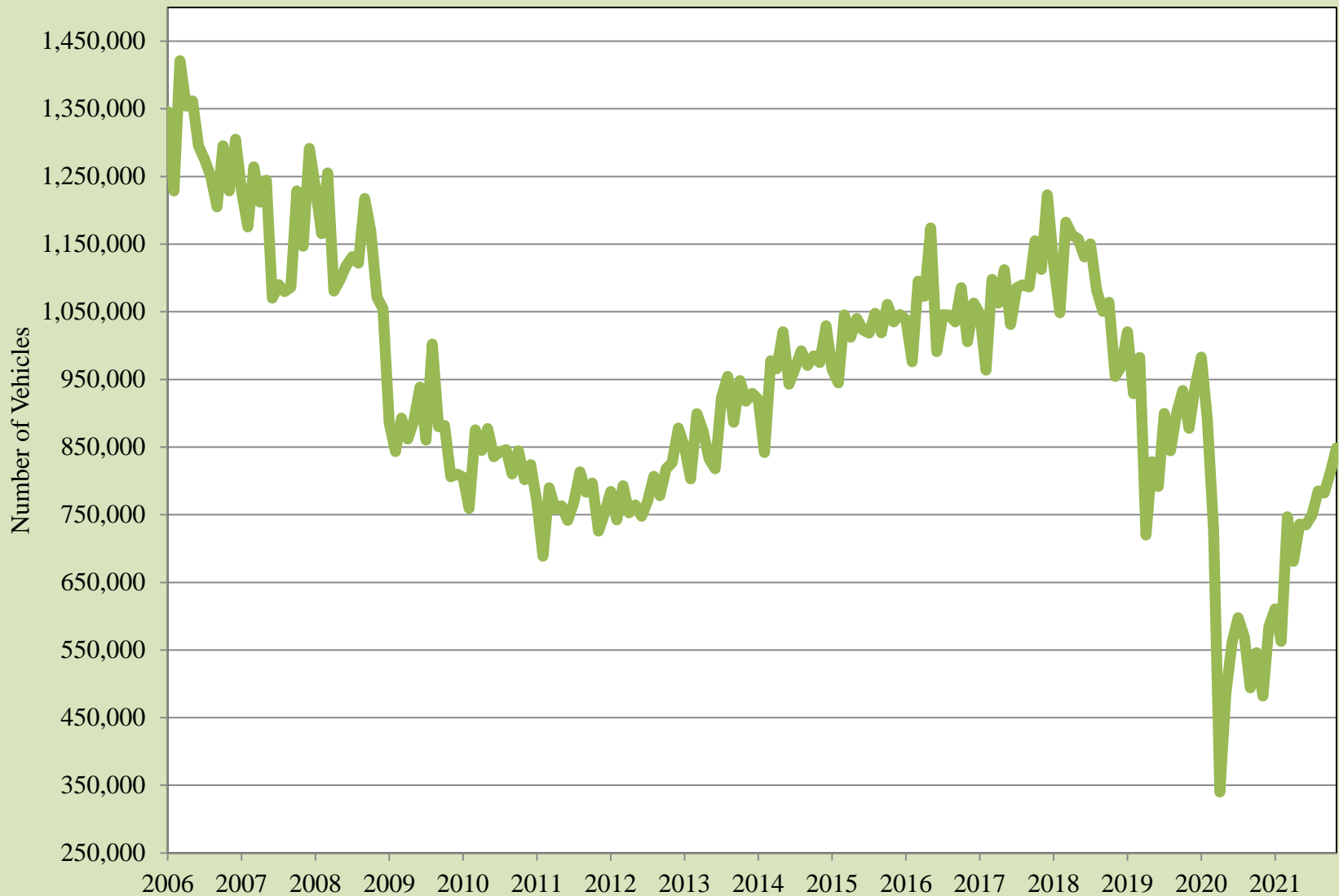
Source: UTEP Border Region Modeling Project

Personal Vehicle International Bridge Crossings to El Paso



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

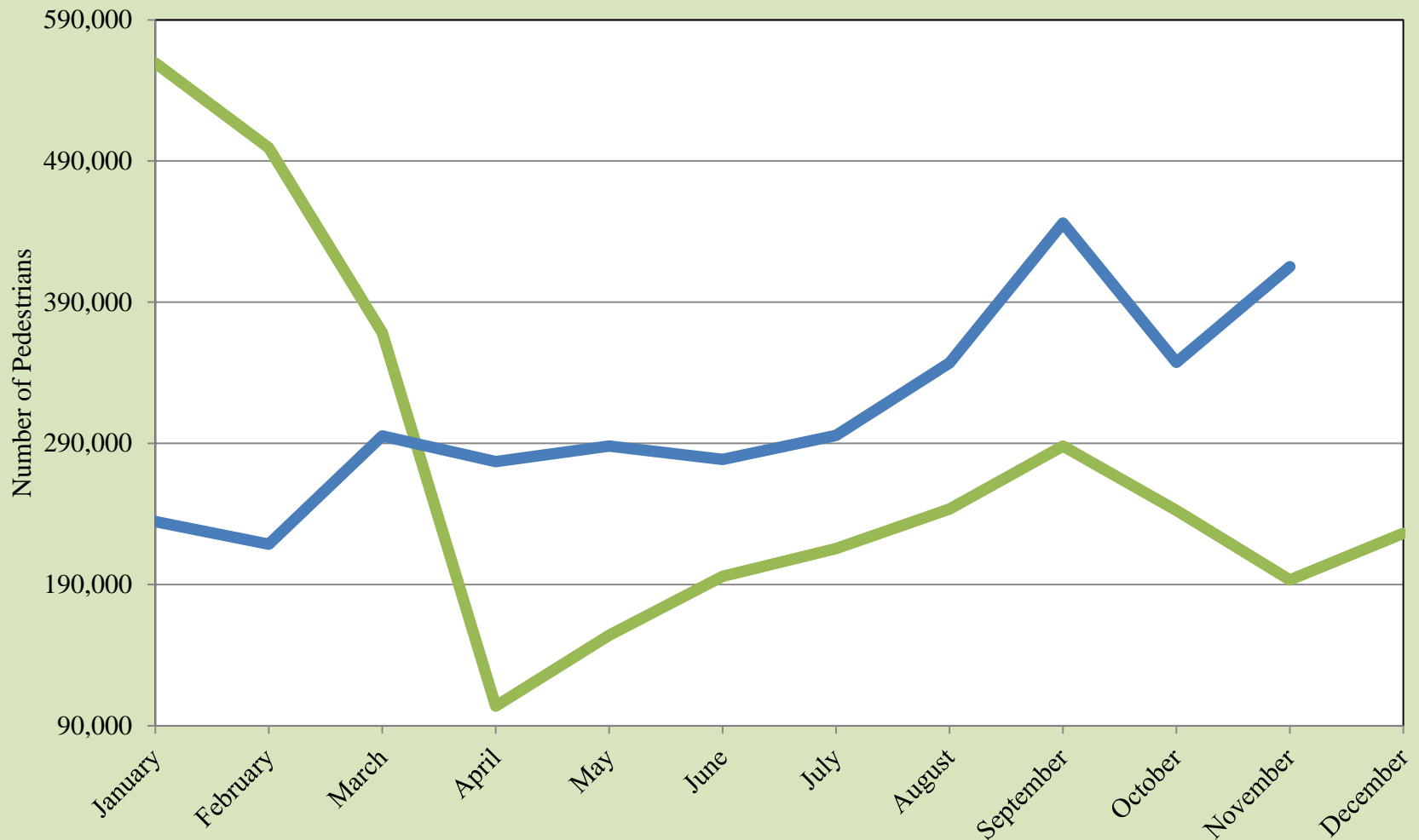
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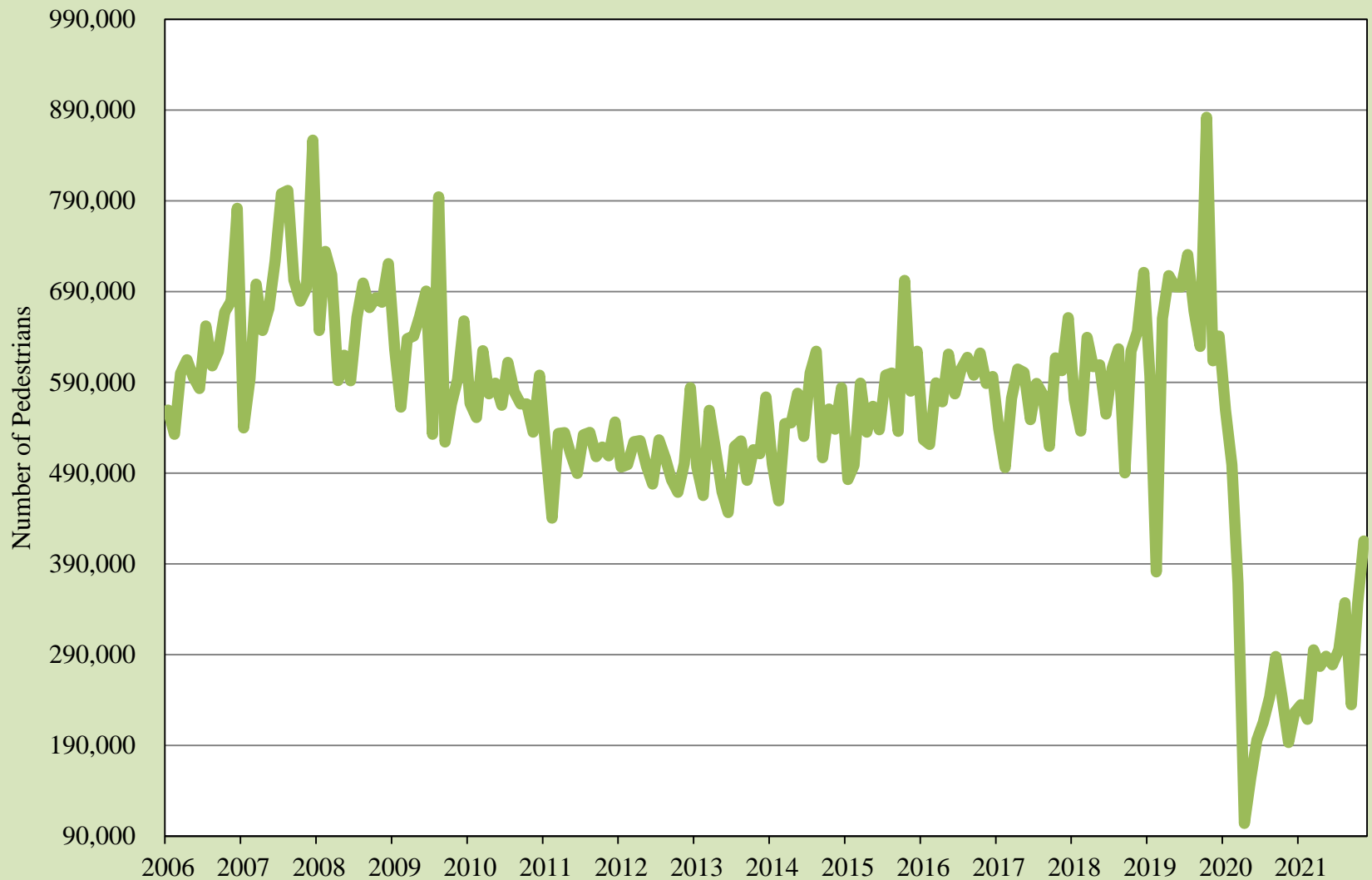
Pedestrian International Bridge Crossings to El Paso

2020 2021



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

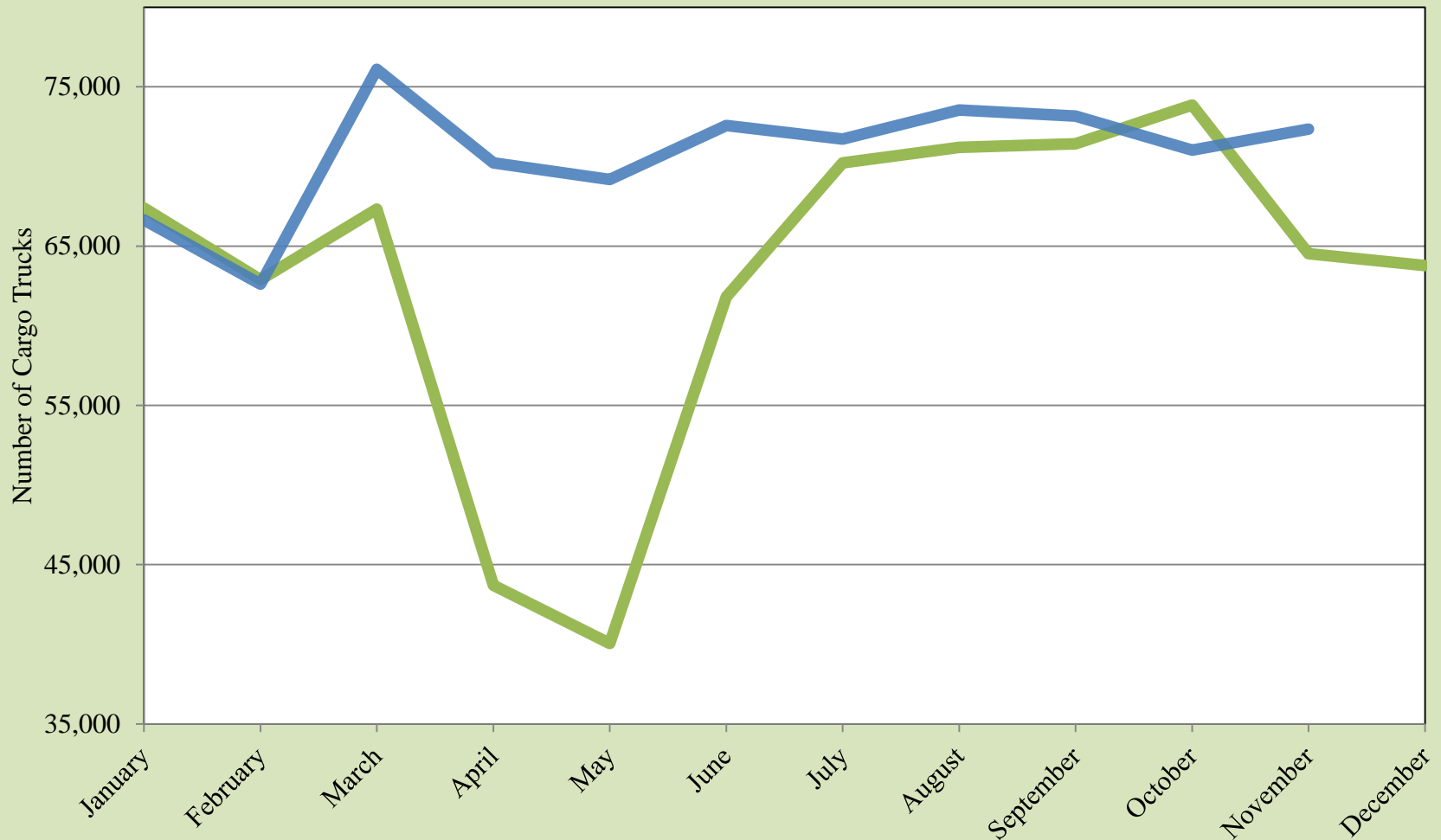
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Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

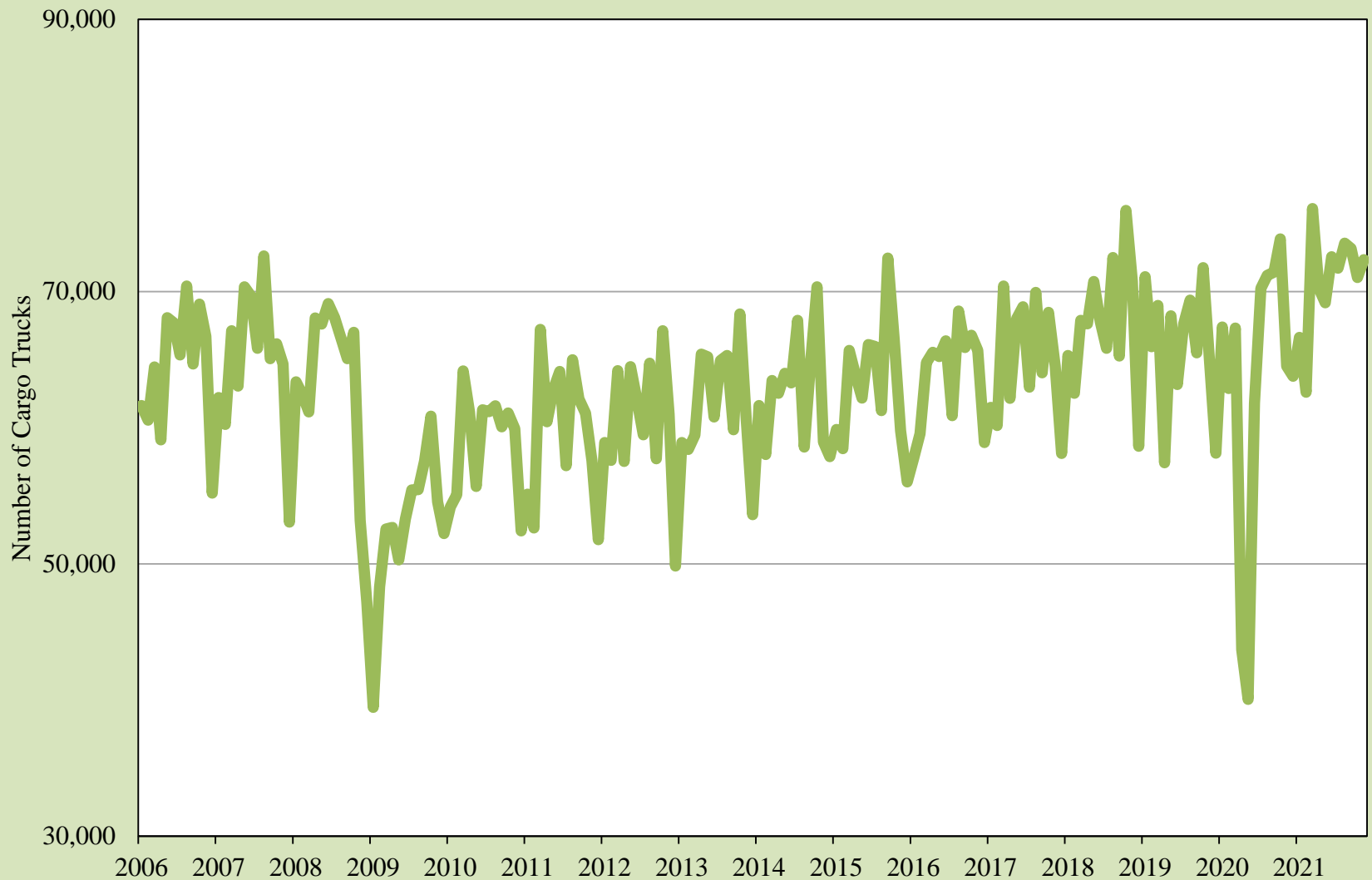
Cargo Truck International Bridge Crossings to El Paso

2020 2021



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

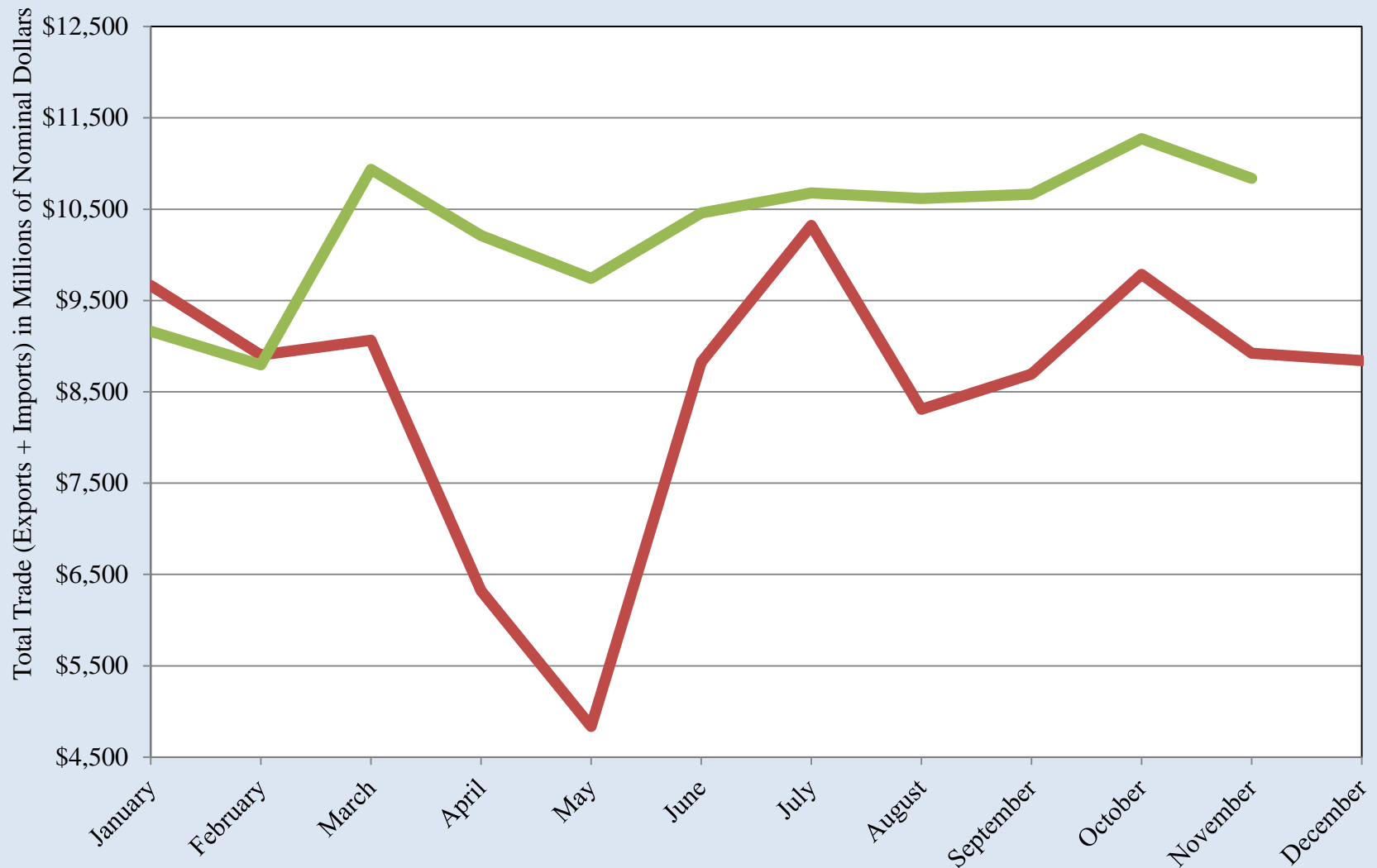
Cargo Truck International Bridge Crossings to El Paso



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

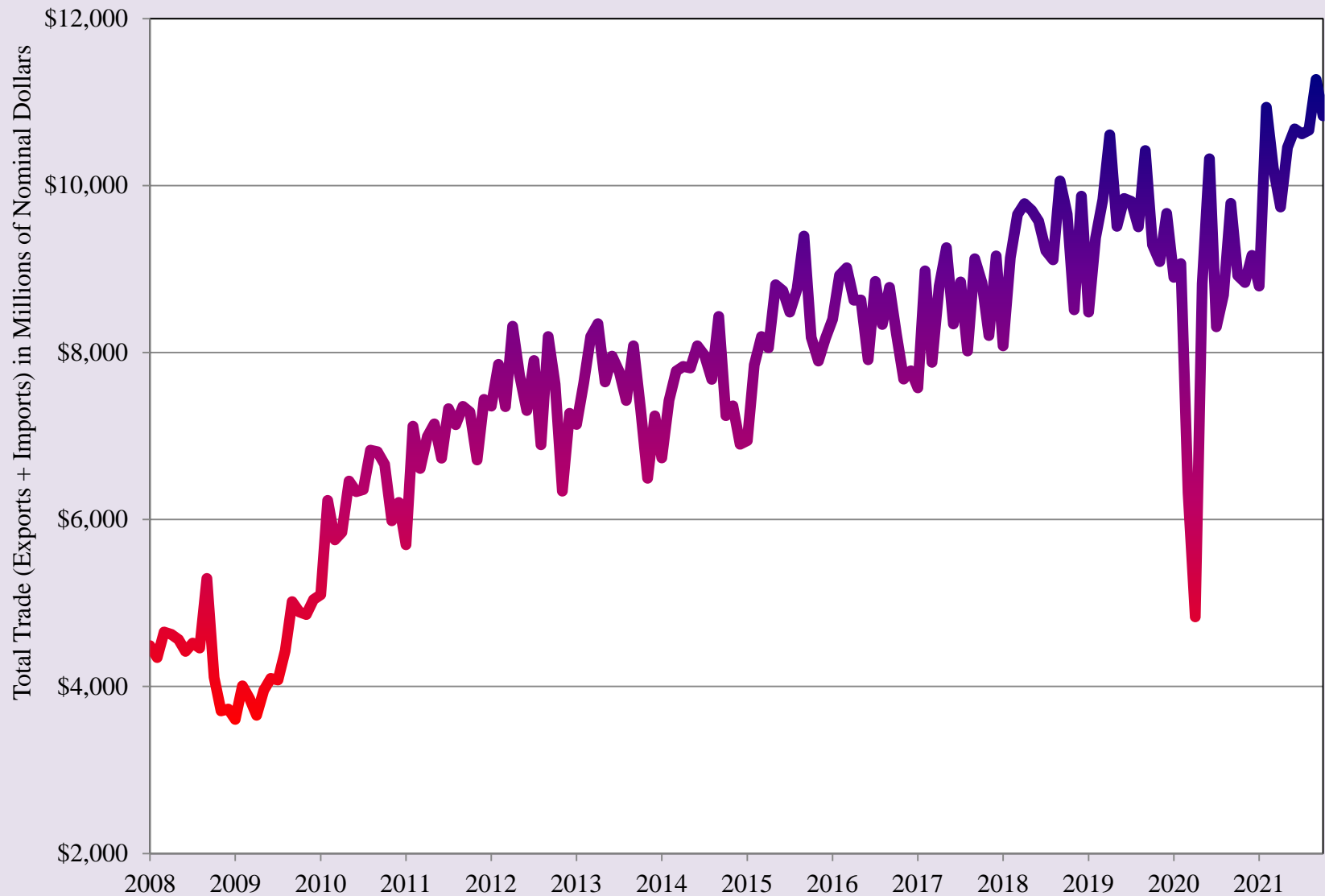
Total Trade through the El Paso Customs District

— 2020 — 2021



Source: U.S. International Trade Commission

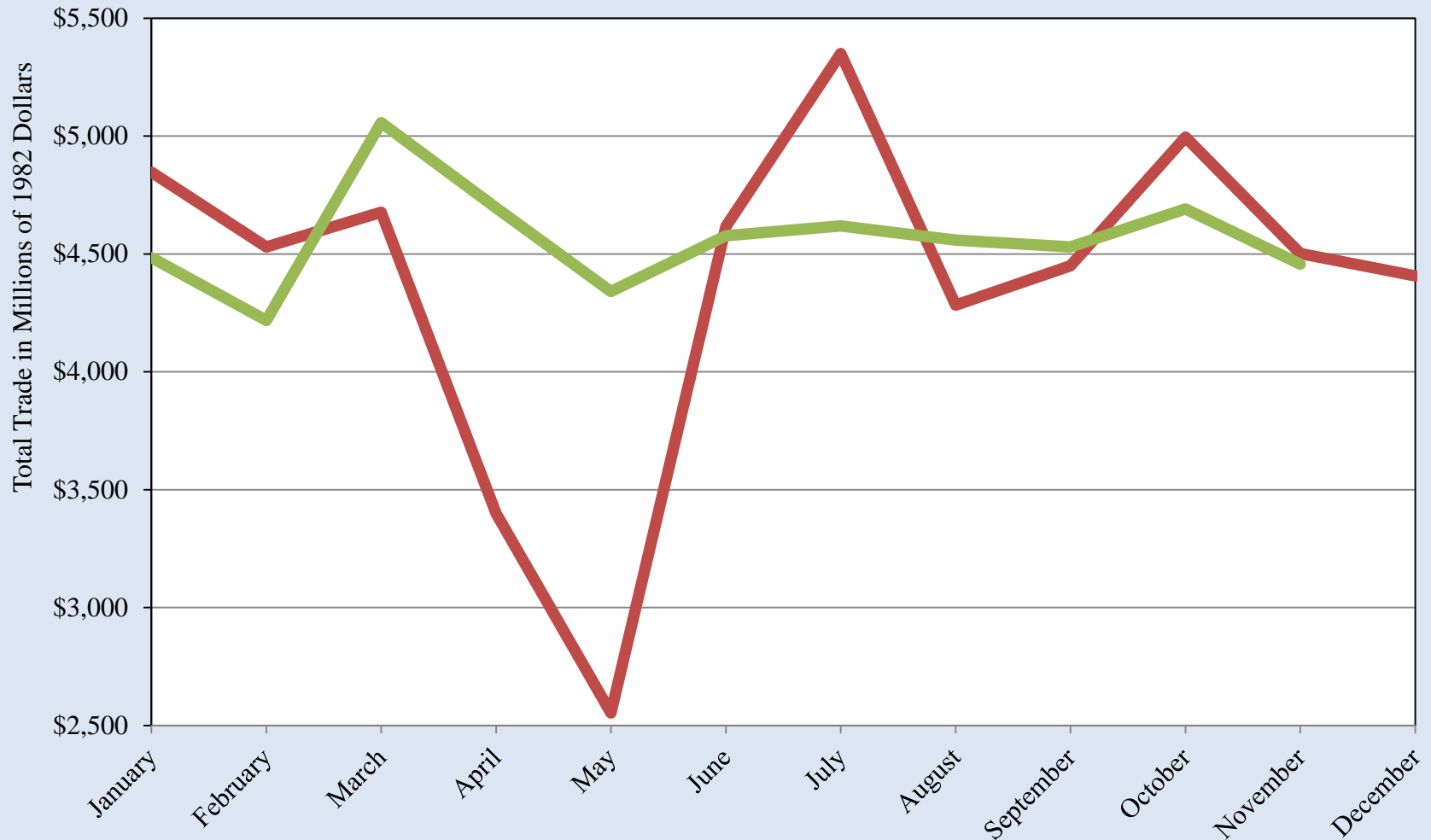
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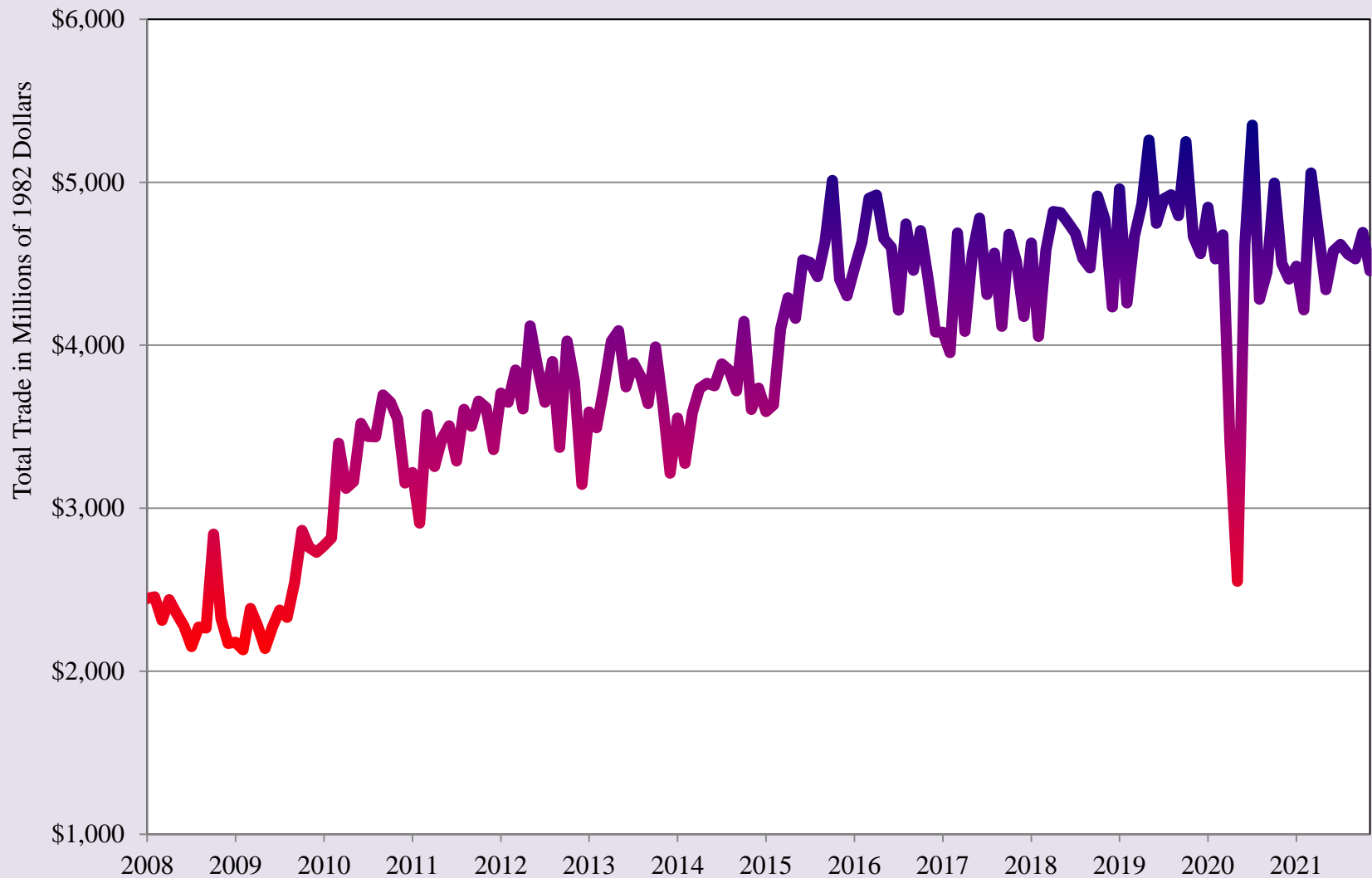
Real Total Trade through the El Paso Customs District

— 2020 — 2021



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

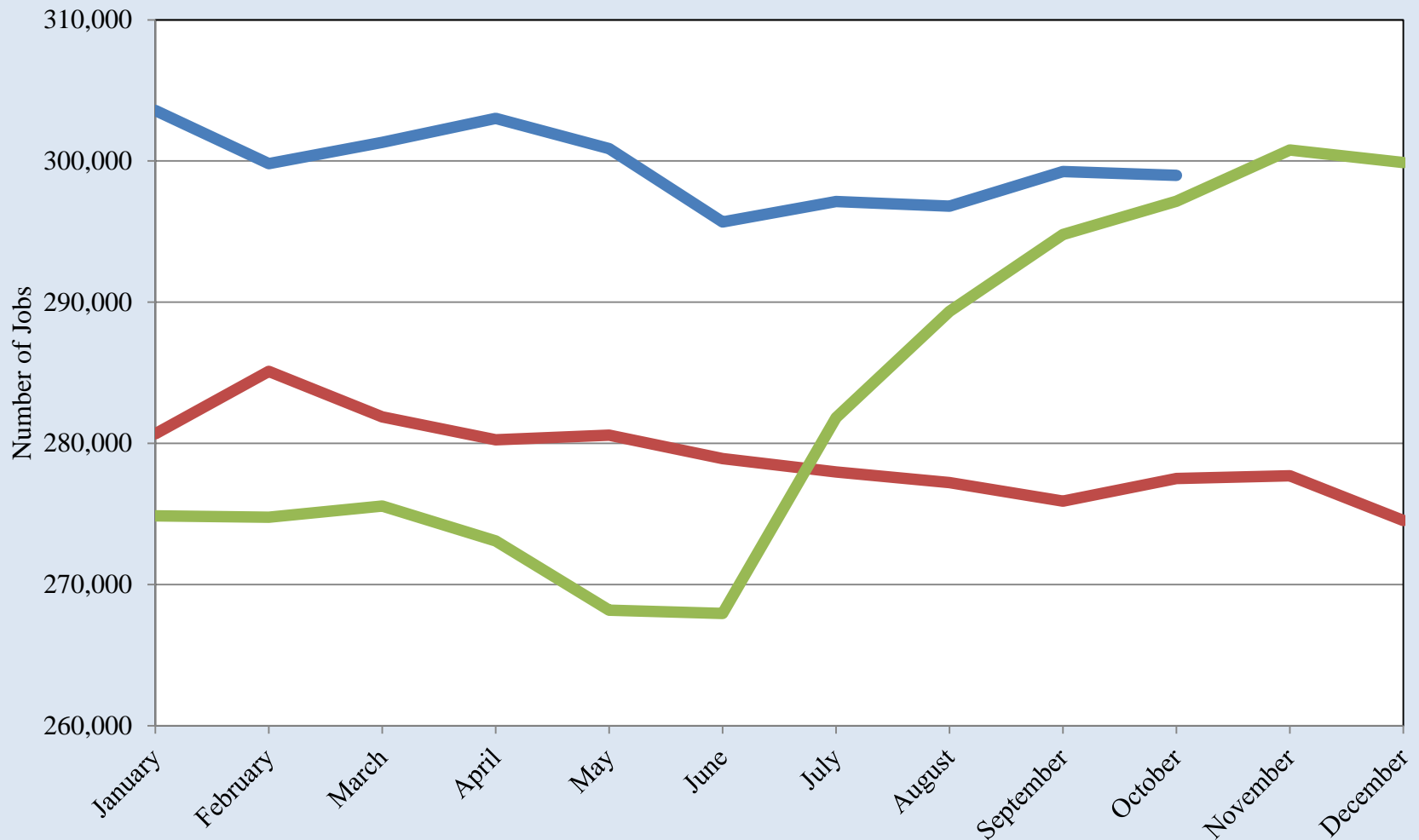
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Source: U.S. International Trade Commission and Bureau of Labor Statistics

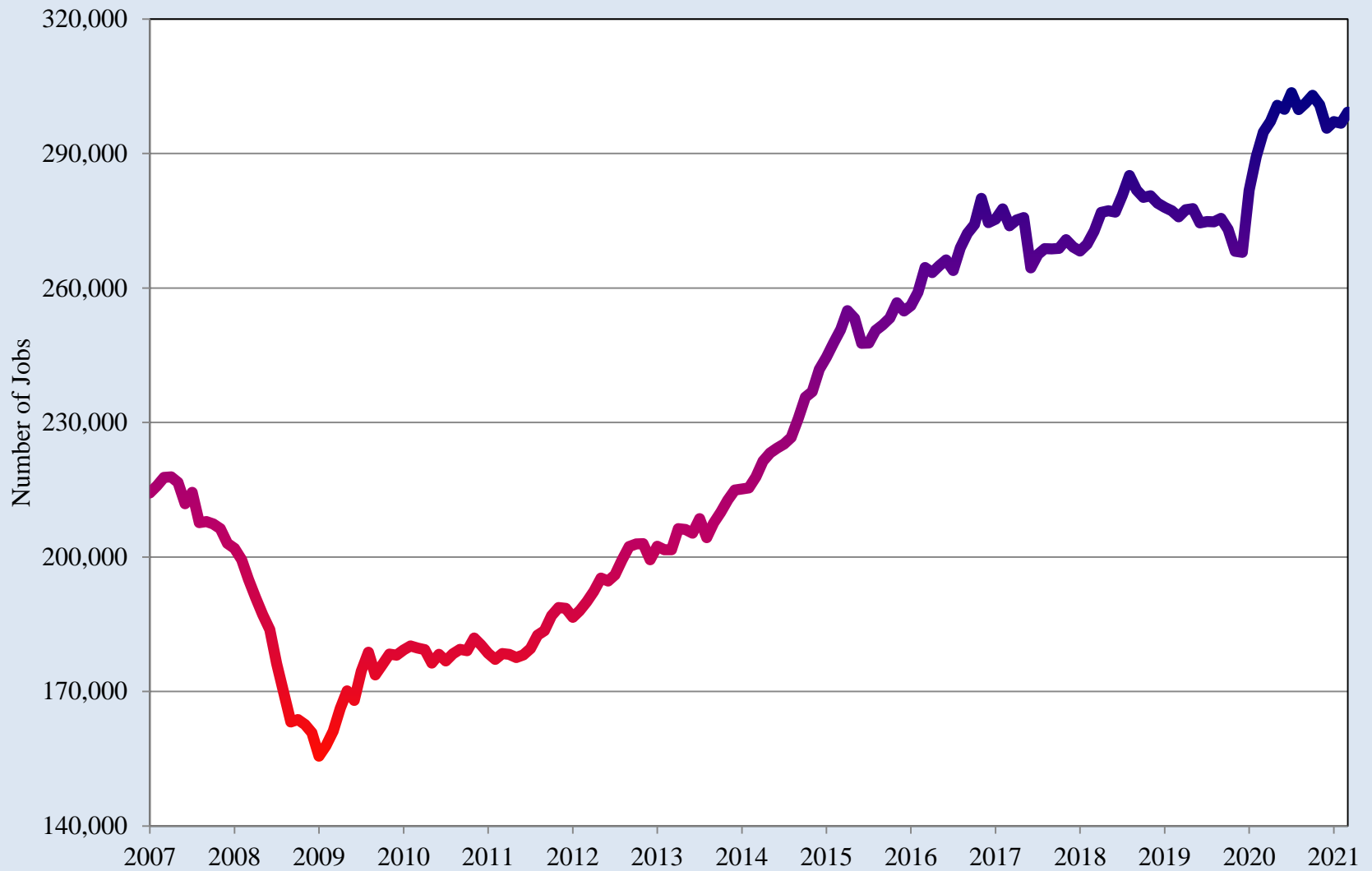
Export-Oriented Manufacturing Employment in Ciudad Juárez

2019 2020 2021



Source: INEGI

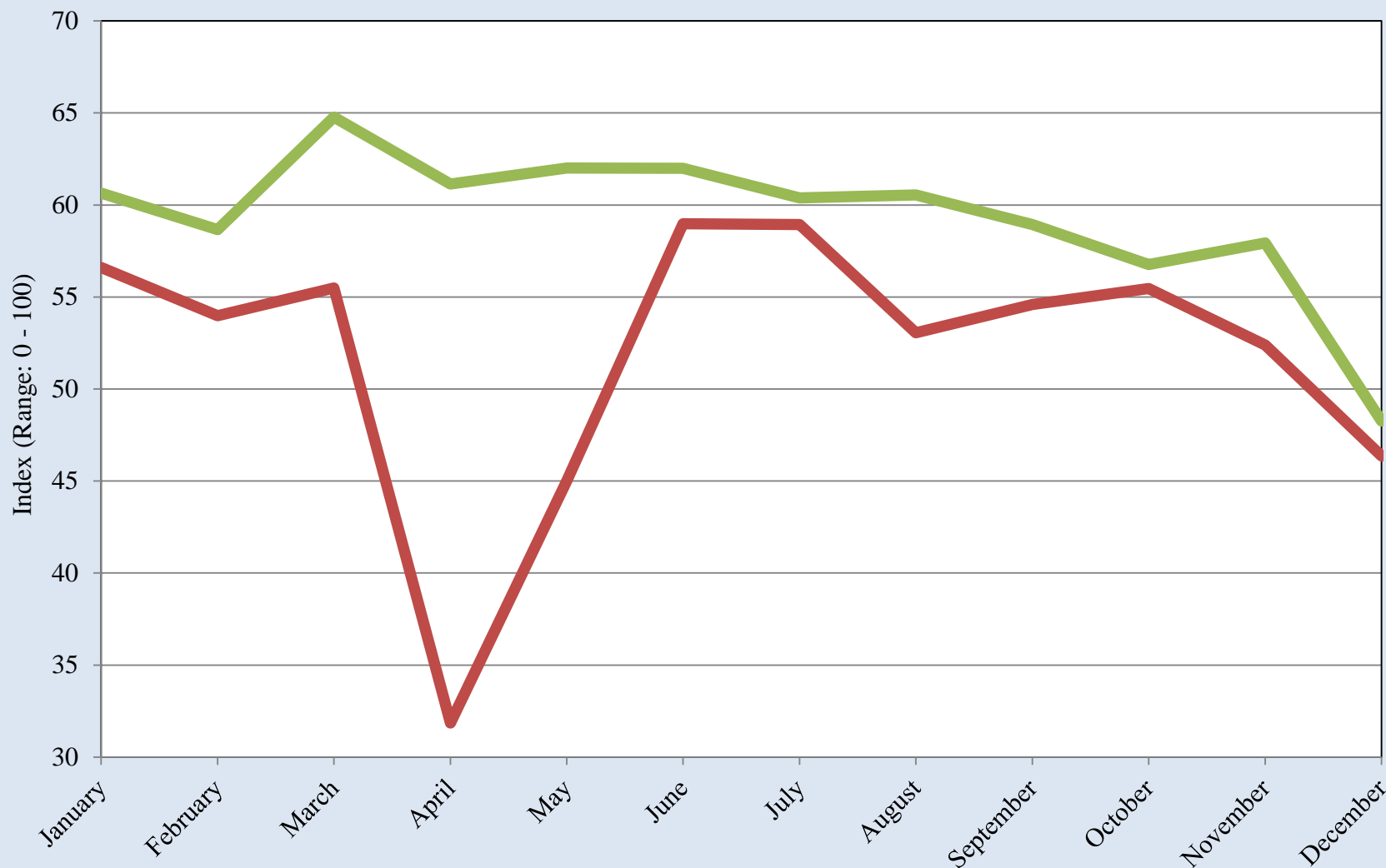
Export-Oriented Manufacturing Employment in Ciudad Juárez



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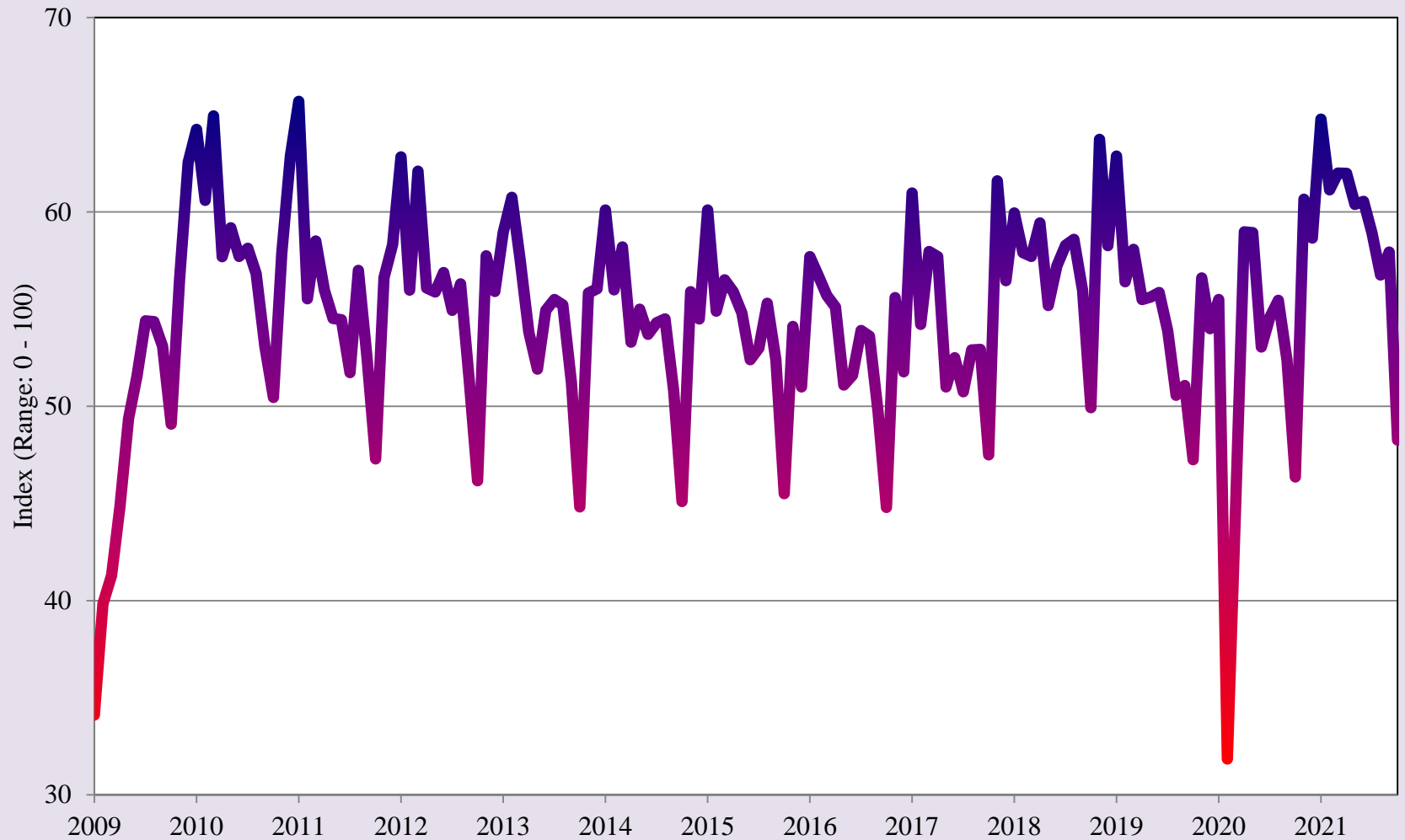
Northern Mexico Manufacturing Orders Index

2020 2021



Source: Banco de México

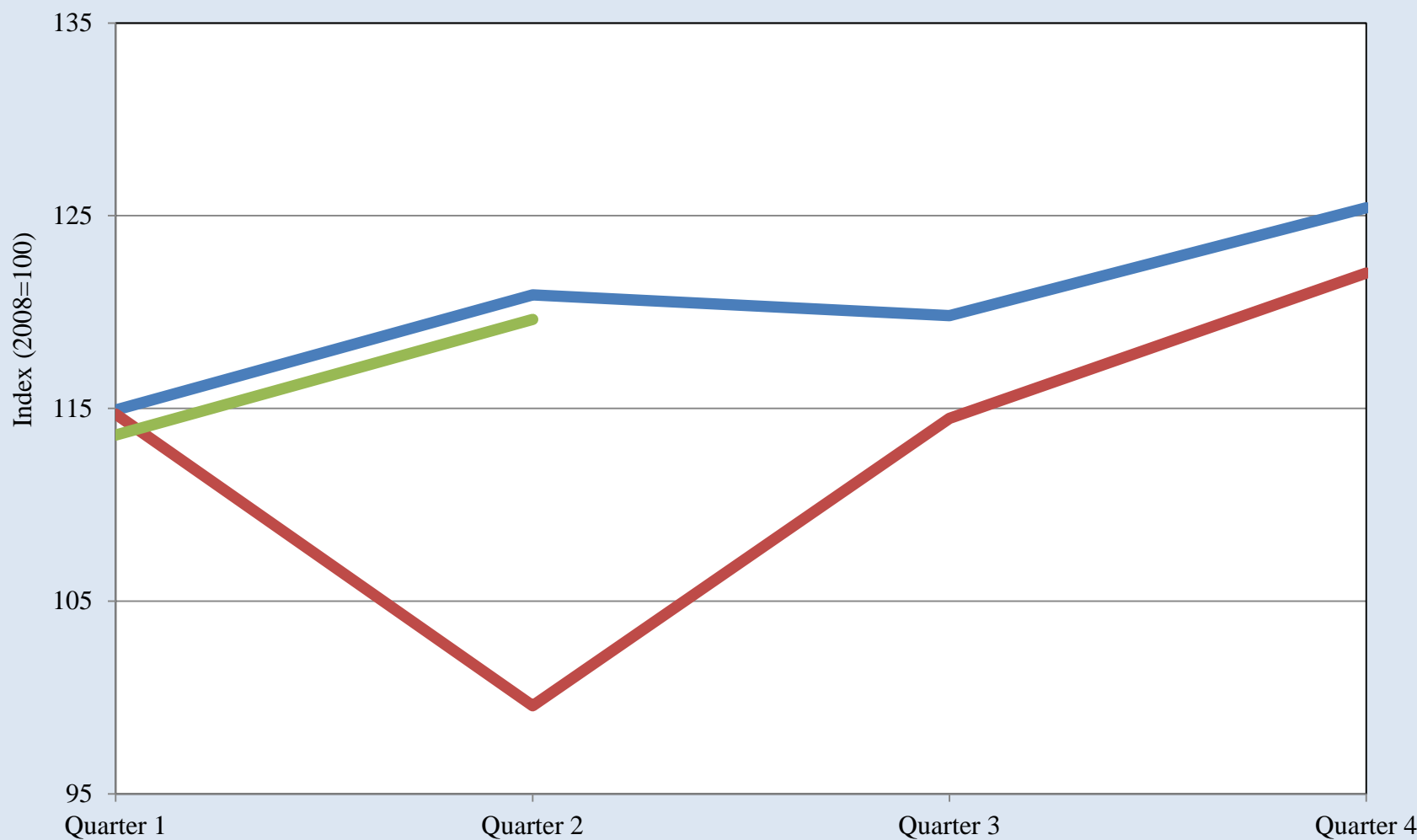
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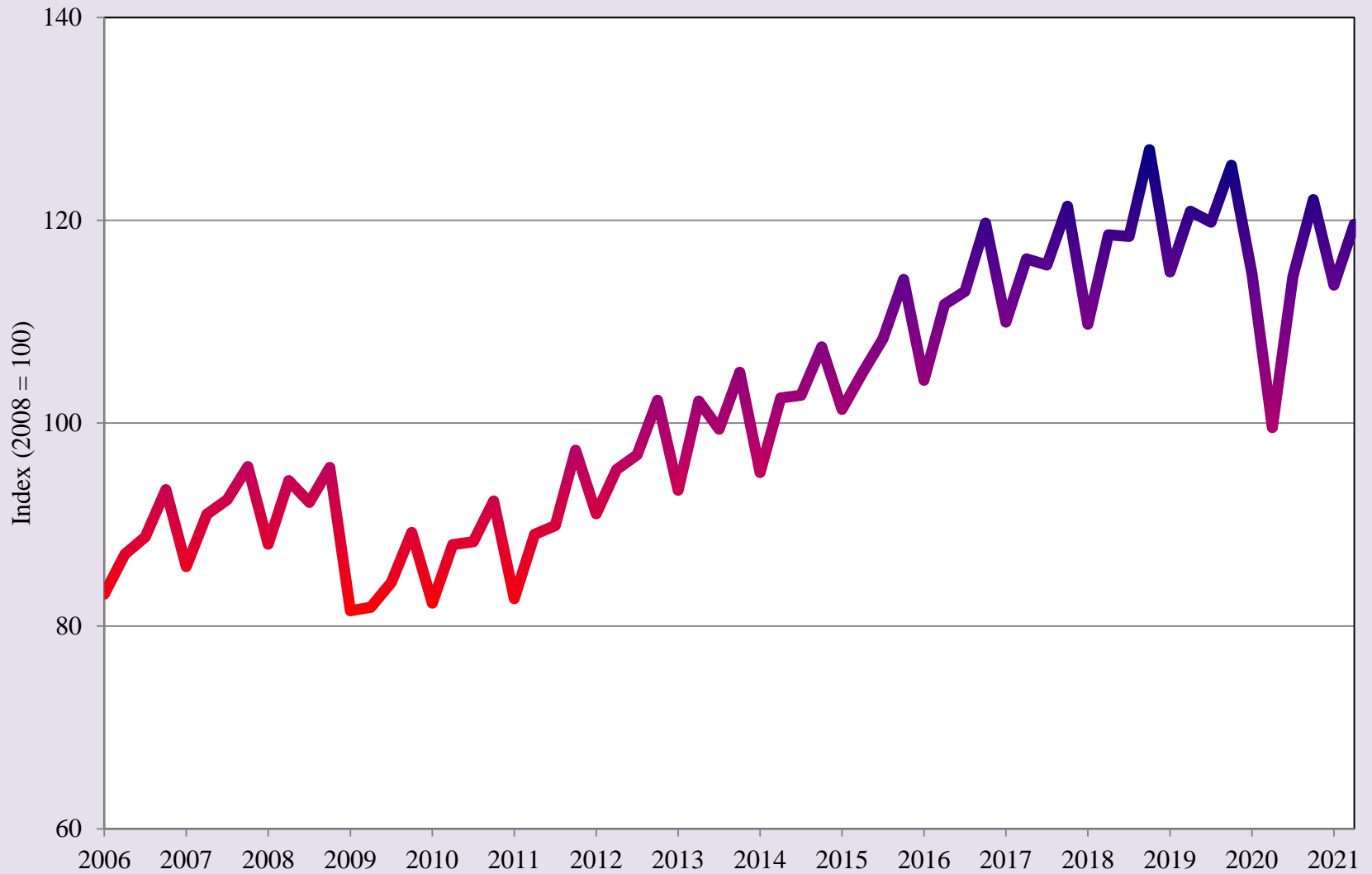
Quarterly Indicator of Economic Activity for the State of Chihuahua

2019 2020 2021



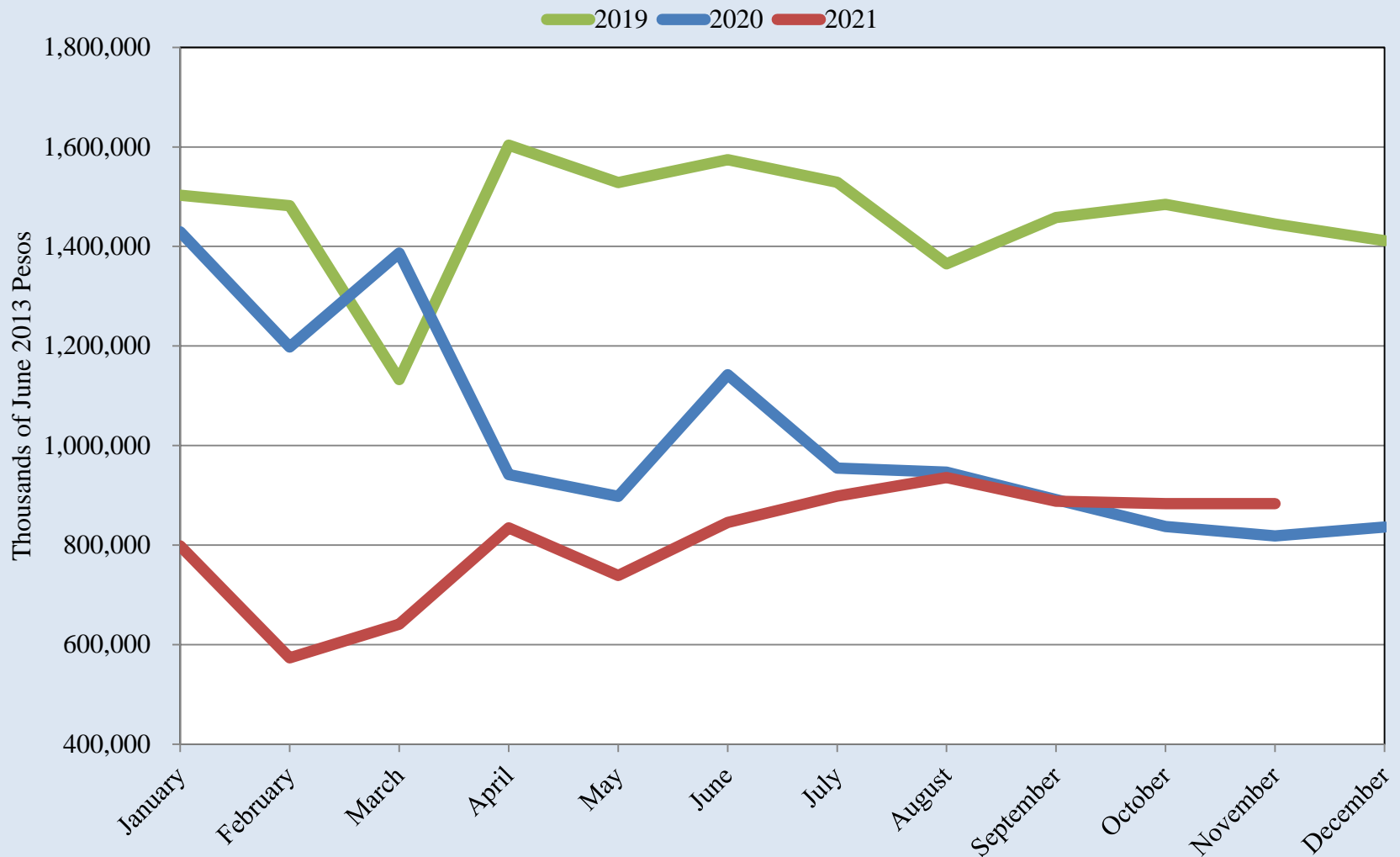
Source: INEGI

Quarterly Indicator of Economic Activity for the State of Chihuahua



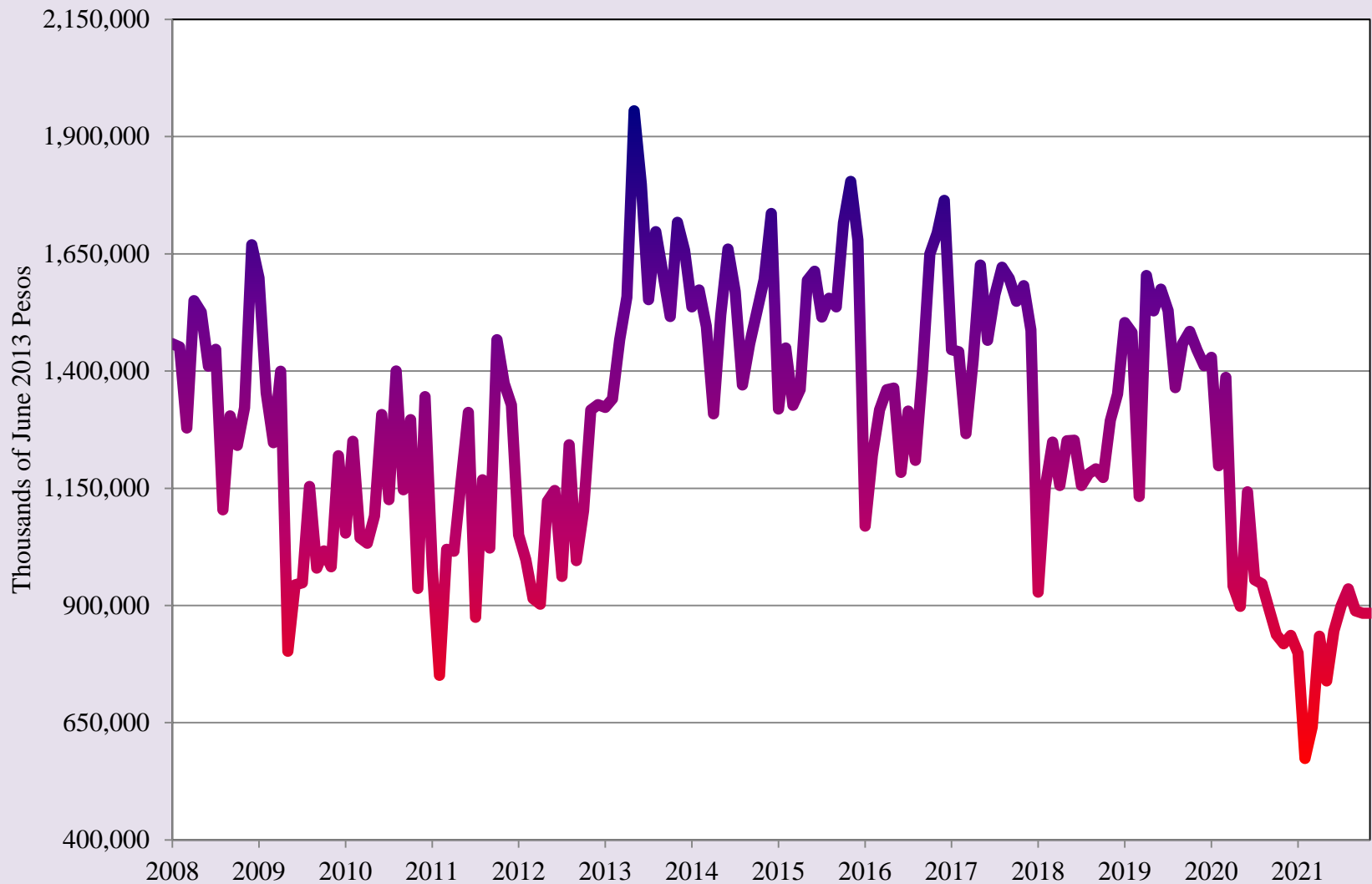
Source: INEGI

Total Value of Construction in the State of Chihuahua



Source: INEGI

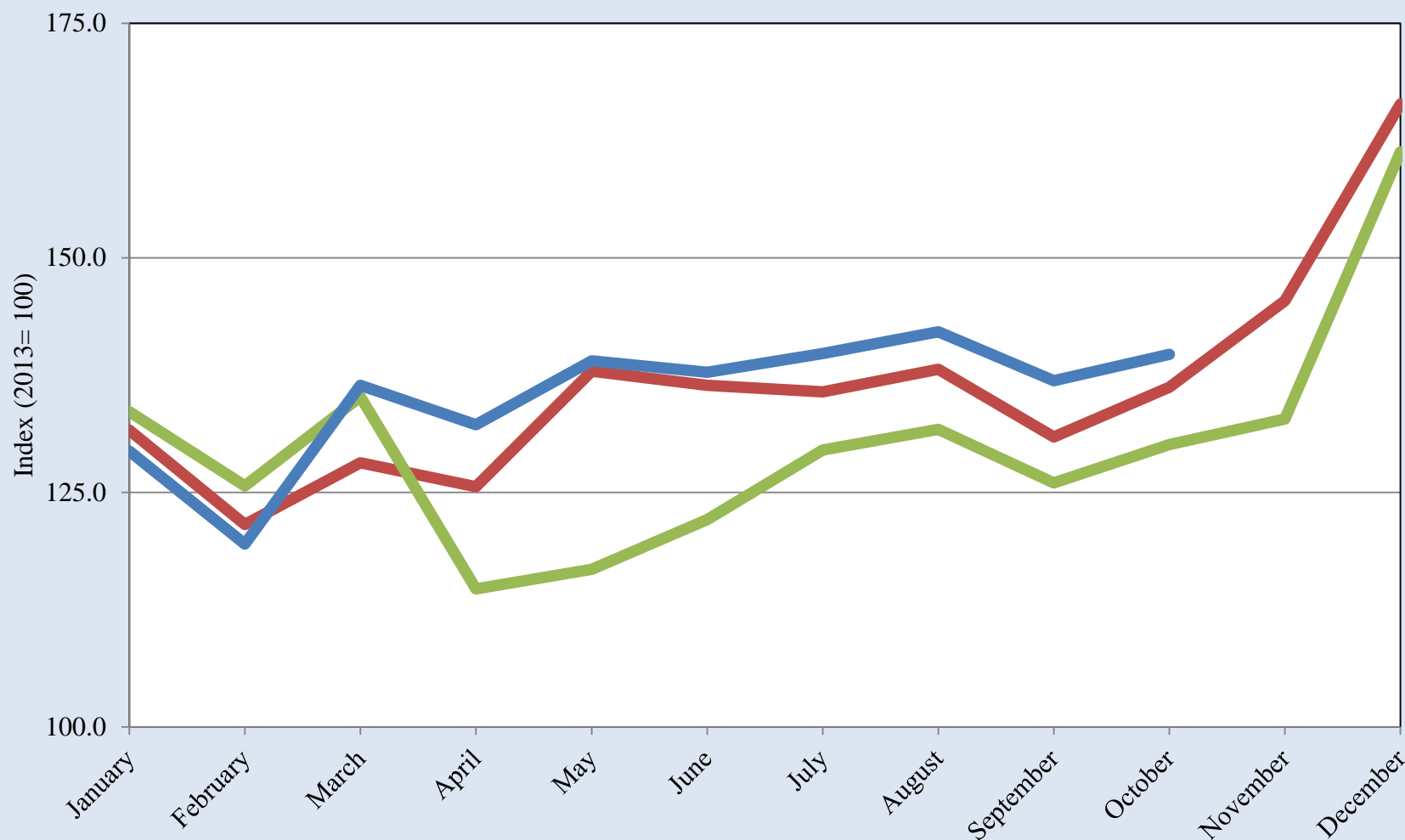
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Source: INEGI

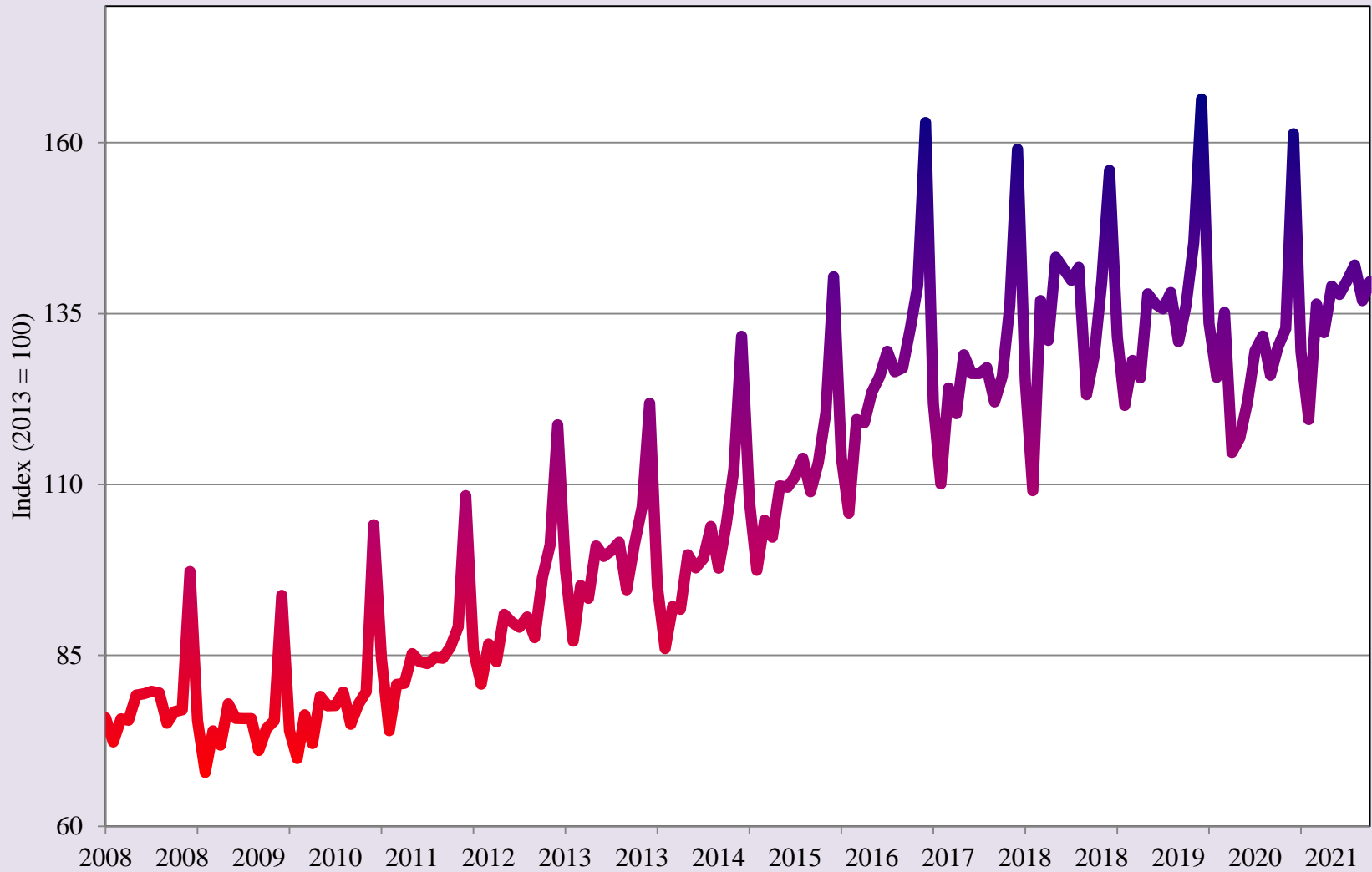
Real Retail Activity Index for the State of Chihuahua

— 2019 — 2020 — 2021



Source: INEGI

Real Retail Activity Index for the State of Chihuahua



Source: INEGI



BORDERPLEX BUSINESS BAROMETER

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