Borderplex Business Barometer, Volume 6, Number 1

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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

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

Source: U.S. Treasury, Daily Treasury Yield Curve Rates and BRMP Calculations
Source: UTEP Border Region Modeling Project
El Paso County Unemployment Rate

Source: Bureau of Labor Statistics
El Paso County SNAP (Food Stamp) Enrollment

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

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 unleaded gasoline prices from January 2006 to August 2021

El Paso Gasoline Prices

Source: GasBuddy.com
El Paso Gasoline Prices

Source: GasBuddy.com
Source: Bureau of Labor Statistics
Unemployment rate for Doña Ana county ranging from January 2006 to November 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 November 2021.

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

- 2020 Nominal Exchange Rate
- 2021 Nominal Exchange Rate
- 2020 Restaurant Price Ratio
- 2021 Restaurant Price Ratio

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, goodrx.com, medsmex.com
Pharmaceutical Nominal Price Ratio in the USA and Mexico

Source: UTEP Border Region Modeling Project, healthwarehouse.com, goodrx.com, medsmex.com
EPIA Freight and Mail (Inbound and Outbound) 2020 and 2021 (2 year comparison)

Source: EPIA Operations

EPIA Freight and Mail

Total 2020
Total 2021

Ton of Freight/Mail

Source: EPIA Operations
EPIA Freight and Mail

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

Source: UTEP Border Region Modeling Project
Bridge of the Americas Monthly Wait Times

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 December 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
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
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

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
Total Trade through the El Paso Customs District
Real Total Trade through the El Paso Customs District

Real Total Trade through the El Paso Customs District

Aggregate Export-Oriented Manufacturing Employment in Ciudad Juárez

Source: INEGI
Northern Mexico Manufacturing Orders Index

Source: Banco de México
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
Total Value of Construction in the State of Chihuahua

Thousands of June 2013 Pesos

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

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

Source: INEGI
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.