

9-2022

Borderplex Business Barometer, Volume 6, Number 9

Thomas M. Fullerton Jr.
University of Texas at El Paso, tomf@utep.edu

Steven L. Fullerton
University of Texas at El Paso, sfullerton@utep.edu

Chia-Chun Chiang
University of Texas at El Paso, cchiang@utep.edu

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Recommended Citation

Fullerton, Thomas M. Jr.; Fullerton, Steven L.; and Chiang, Chia-Chun, "Borderplex Business Barometer, Volume 6, Number 9" (2022). *Border Region Modeling Project*. 146.
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BORDERPLEX BUSINESS BAROMETER

September 2022

Border Region Modeling Project

Thomas M. Fullerton, Jr.
Steven L. Fullerton

Department of Economics & Finance
College of Business Administration
University of Texas at El Paso

Mailing Address

Border Region Modeling Project - CBA 236
UTEP Department of Economics & Finance
500 West University Avenue
El Paso, TX 79968-0543

Physical Address

College of Business Administration, Room 325
University of Texas at El Paso

Email

tomf@utep.edu
sfullerton@utep.edu

Telephone

915-747-7747
915-747-7775

Facsimile

915-747-6282

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Border Commerce & Economics

Borderplex Business Barometer, Volume 6, Number 9

Baby Please Insure My Car

Throughout the United States, and much of the global economy, some of the most vexing issues faced by many involve automobile insurance. Car insurance represents a major financial concern for households, companies, public agencies, and non-governmental organizations. It causes further difficulties in the Borderplex where drivers frequently cross the international boundary without obtaining coverage for the country being visited.

As most parents will readily agree, car insurance is expensive. That is not a recent development. U.S. Bureau of Labor Statistics data indicate that, during the past half century, annual changes in the price of automobile insurance almost always outpace general consumer price inflation by 100 basis points or more. What causes car insurance rates to rise so much?

An important source of auto coverage annual rate hikes will come as no surprise. Health care costs also tend to increase at fairly rapid clip. As the price of medical care moves upwards, car insurance also rises. Hospital and therapy bills for injuries suffered in road accidents already average more than \$20,000 per accident, and they are becoming more expensive.

Replacement costs for totaled vehicles are also escalating. New car and truck prices have increased by roughly 10 percent over the last 12 months, while used vehicle prices have also jumped. Automobile accidents also generate higher repair bills for vehicles that can be made road worthy, again. Sheet metals, electronic chips, and other components have all increased substantially due to global supply disruptions.

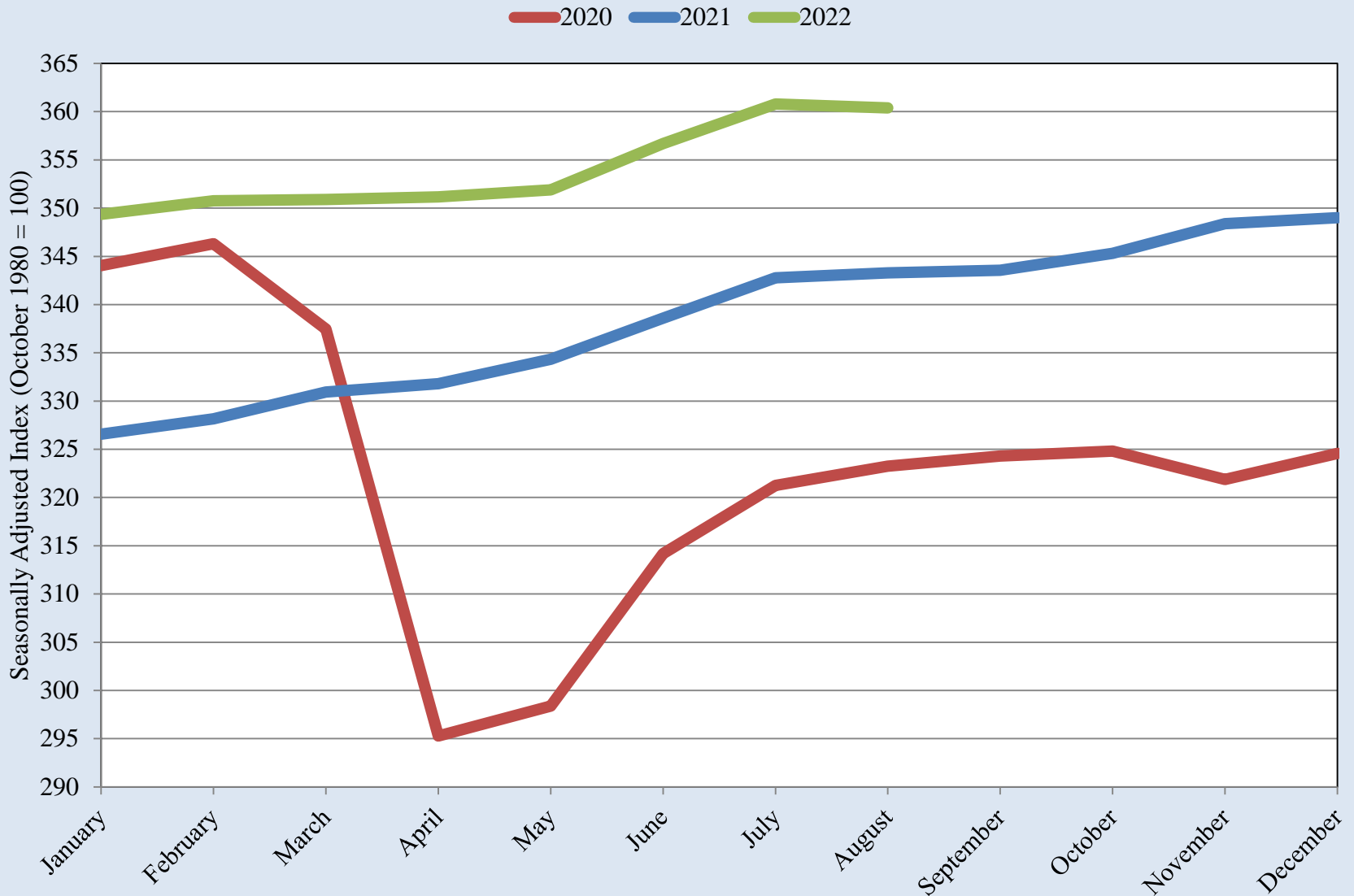
Beyond physical material and medical service prices, legal costs have also increased in recent years. Television and internet advertising campaigns indicate that many wrecks are adjudicated through the court system.

Those high stake negotiations and court battles are expensive endeavors and ultimately affect automobile insurance costs and rates.

Car insurance is, understandably, becoming more expensive. Can drivers do anything to lower automobile insurance costs? That topic will be examined in a future issue of the *Barometer*.

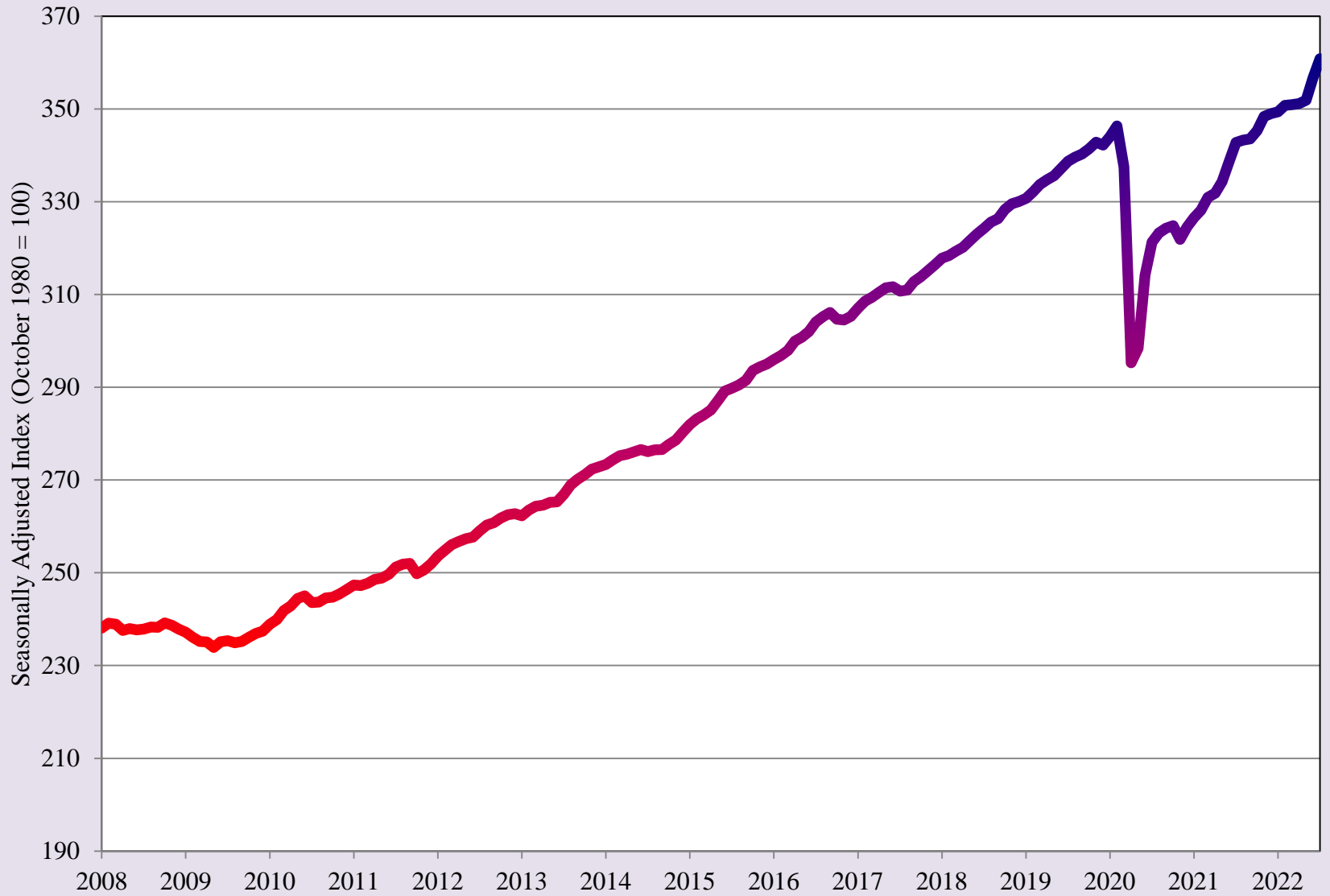
Thomas M. Fullerton, Jr., Chia-Chun Chiang, and Steven L. Fullerton

El Paso Metropolitan Business Cycle Index



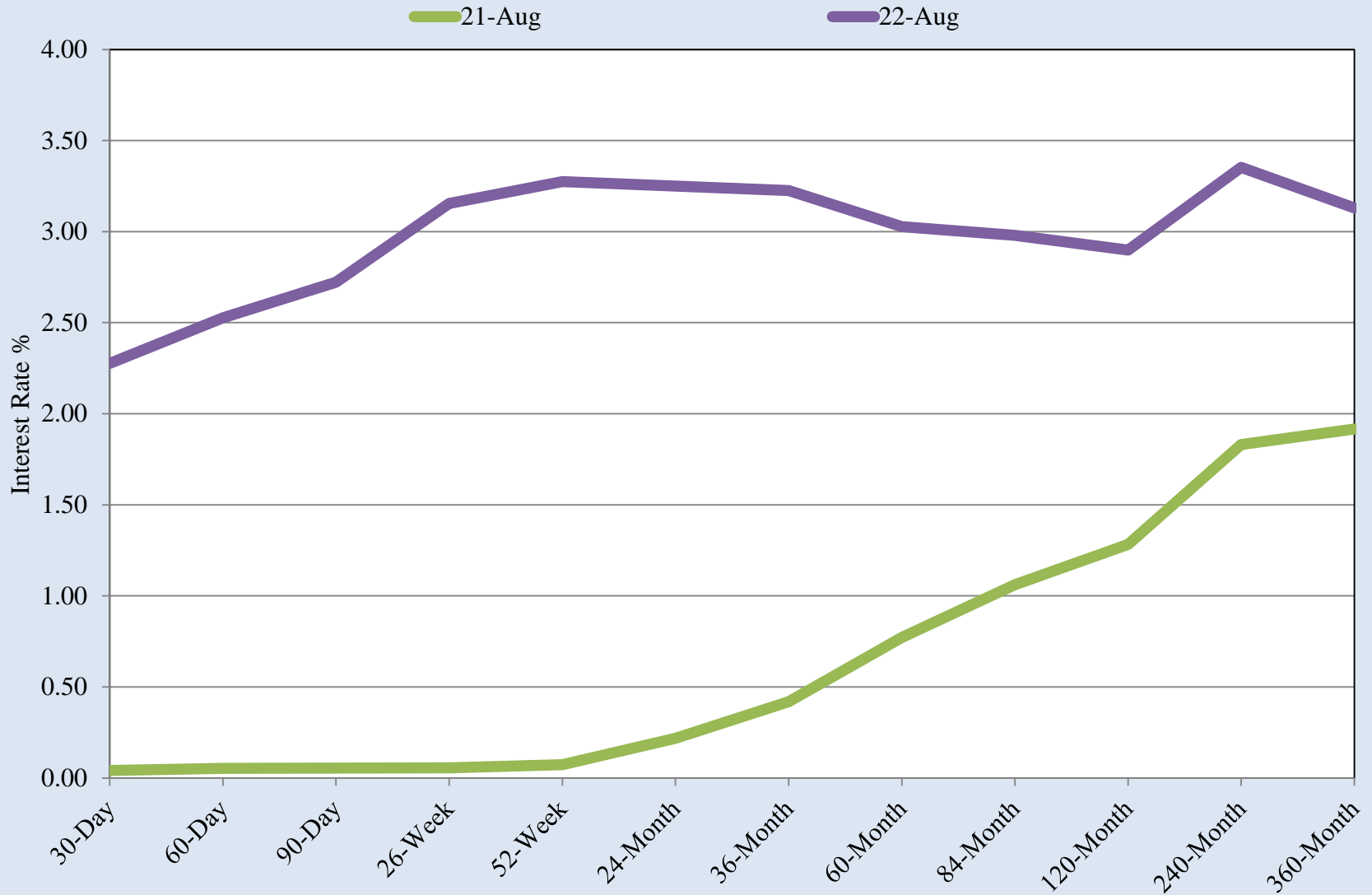
Source: Federal Reserve Bank of Dallas

El Paso Metropolitan Business Cycle Index



Source: Federal Reserve Bank of Dallas

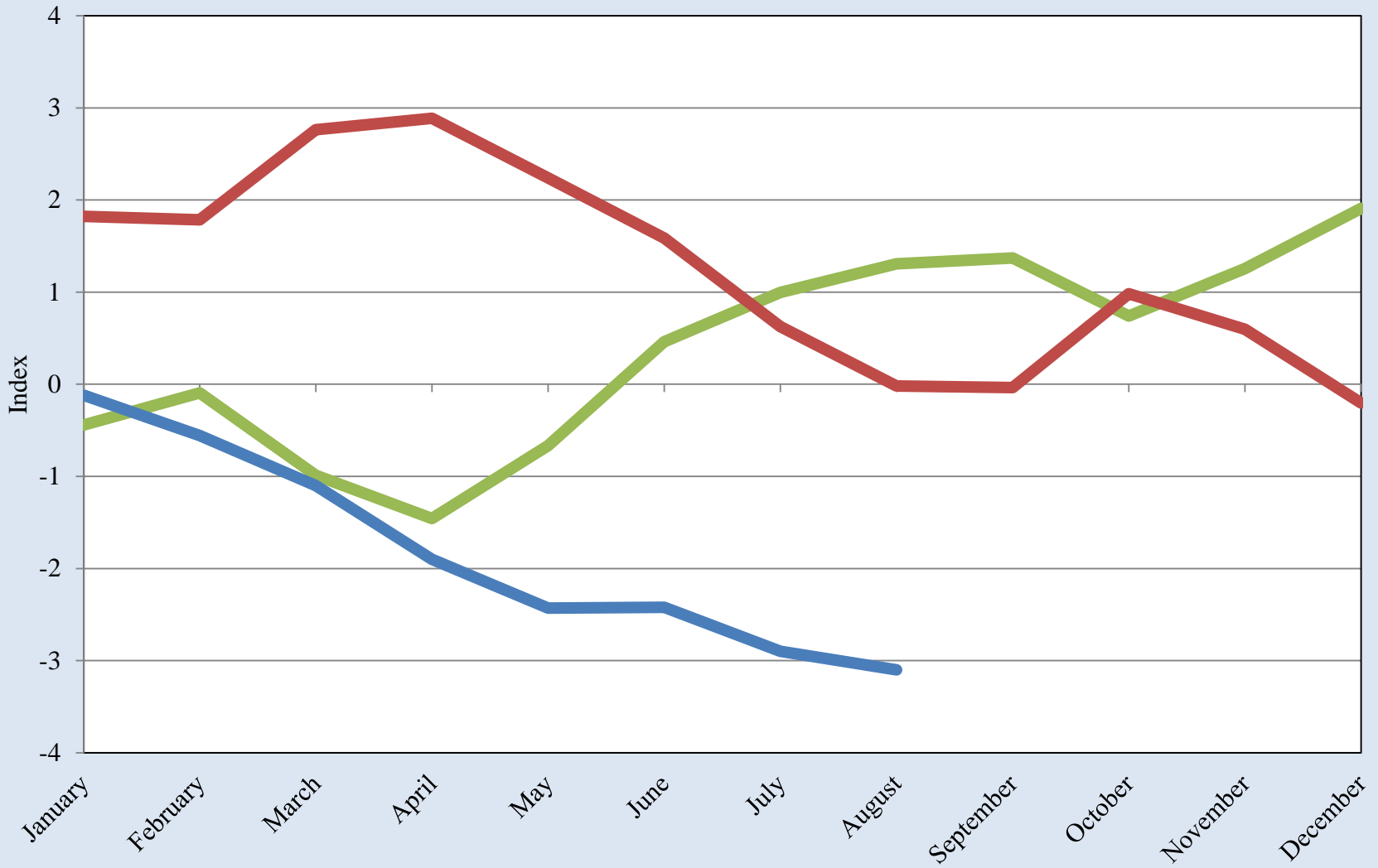
Average Treasury Yield Curve Rates



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

El Paso Household Economic Stress Index

2020 2021 2022



Source: UTEP Border Region Modeling Project

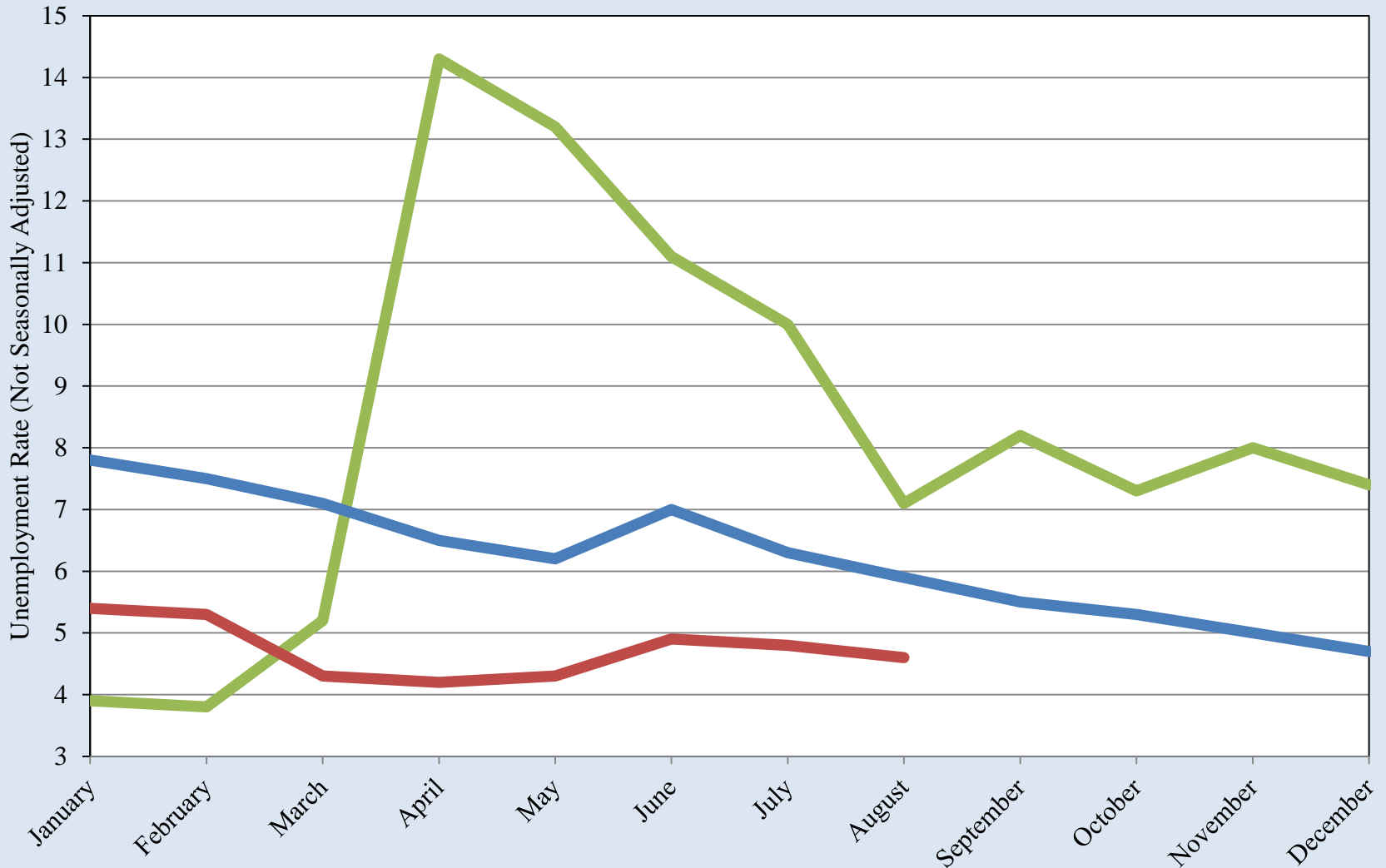
El Paso Household Economic Stress Index



Source: UTEP Border Region Modeling Project

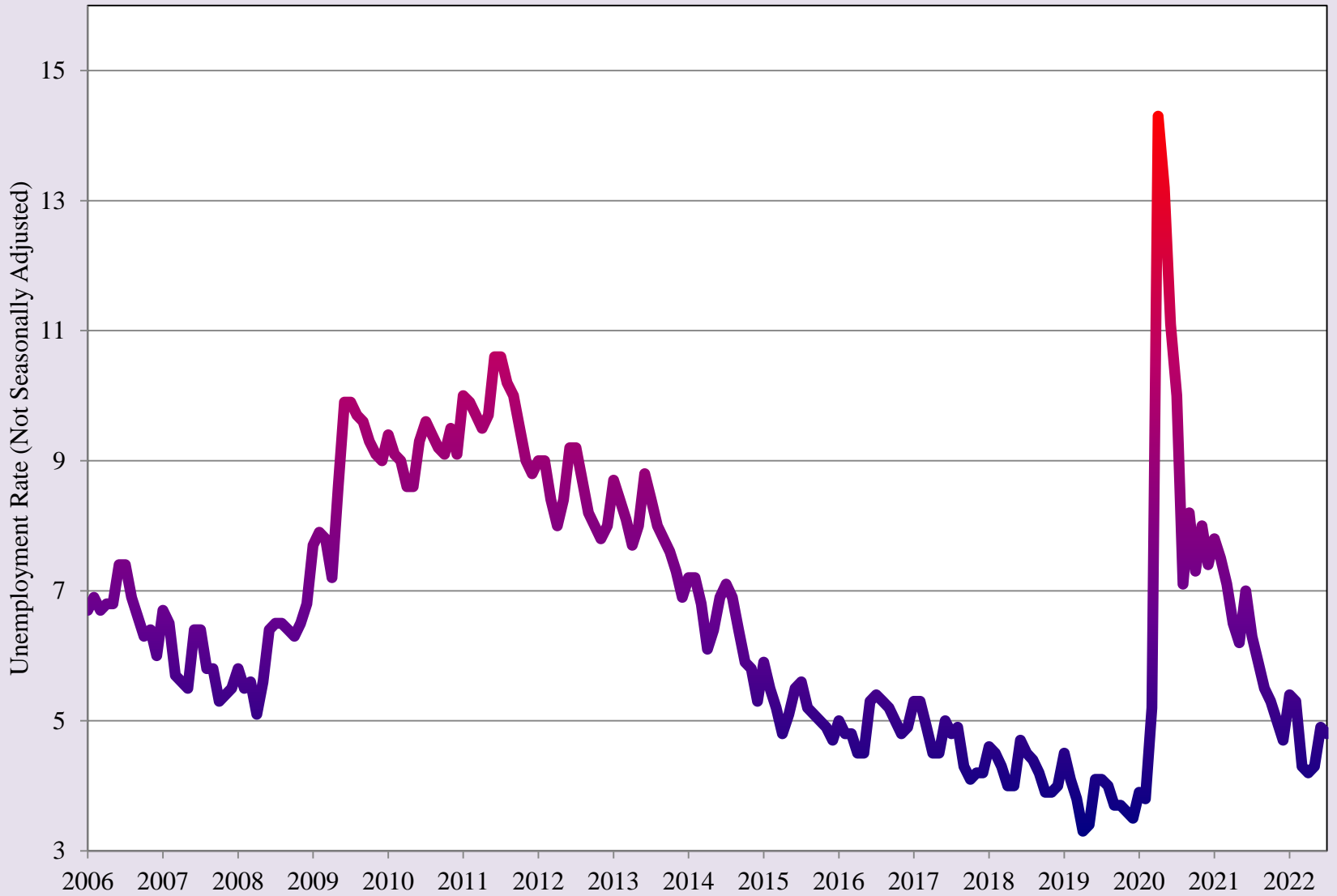
El Paso County Unemployment Rate

2020 2021 2022



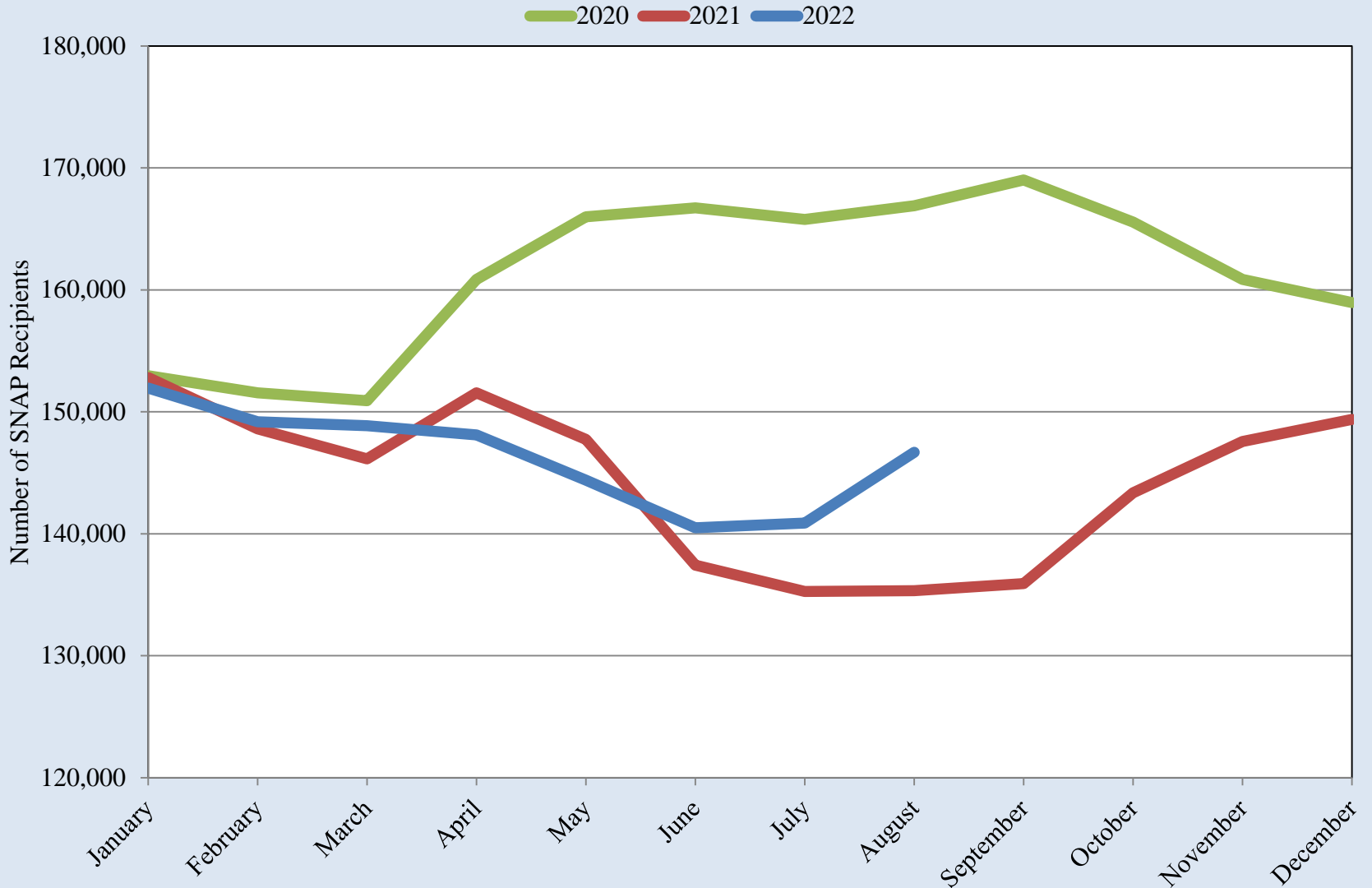
Source: Bureau of Labor Statistics

El Paso County Unemployment Rate



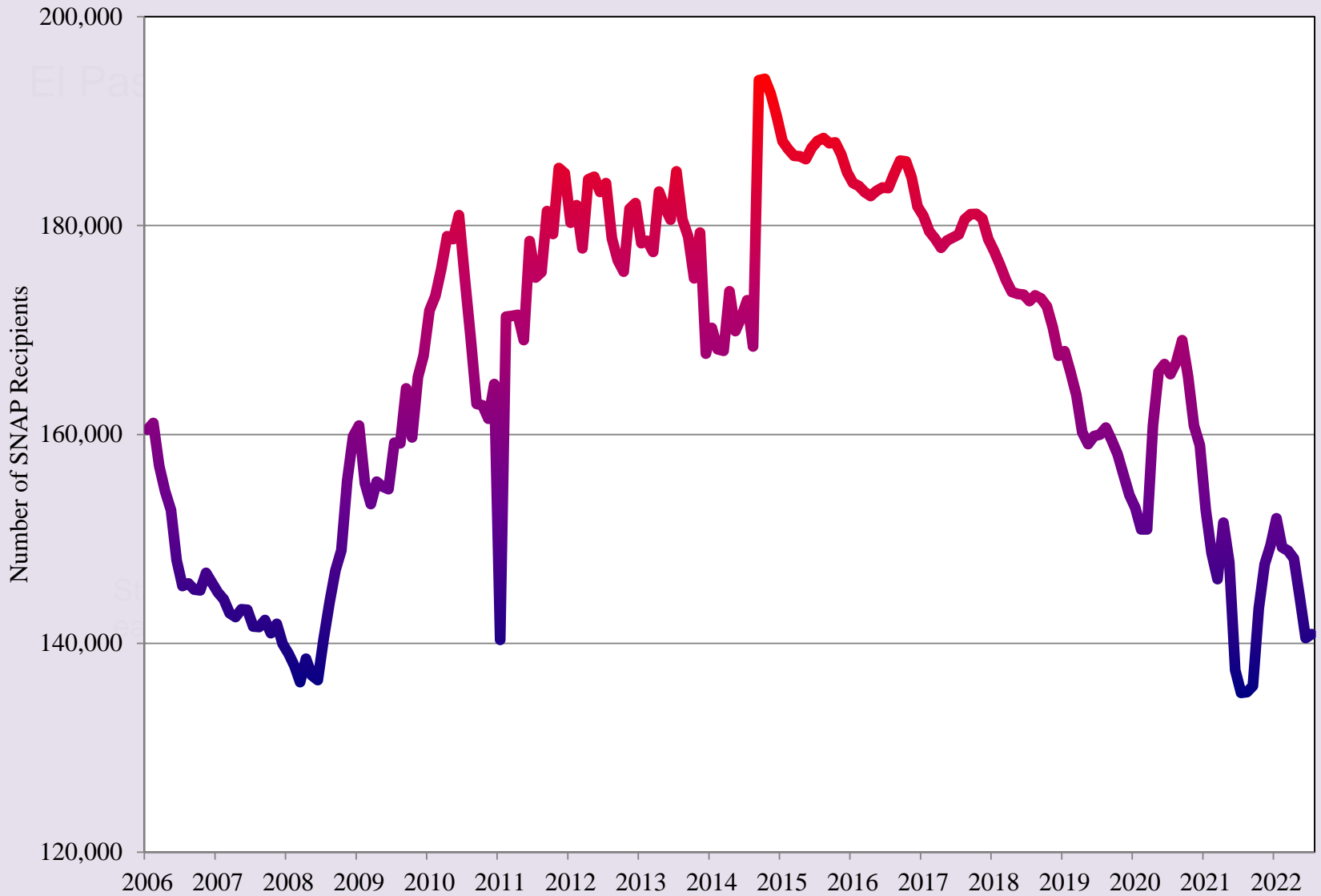
Source: Bureau of Labor Statistics

El Paso County SNAP (Food Stamp) Enrollment



Source: Texas Health and Human Services Commission

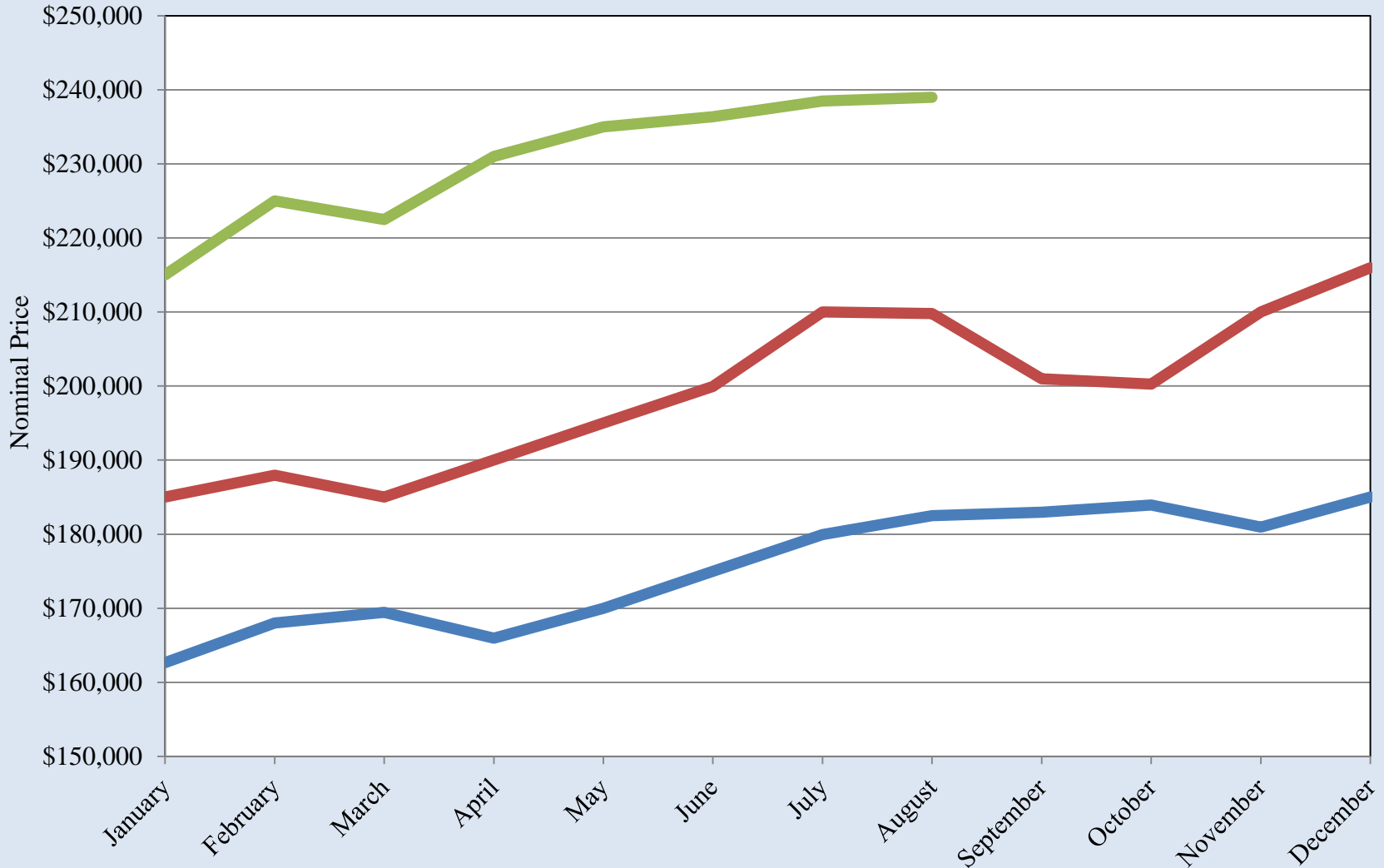
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Source: Texas Health and Human Services Commission

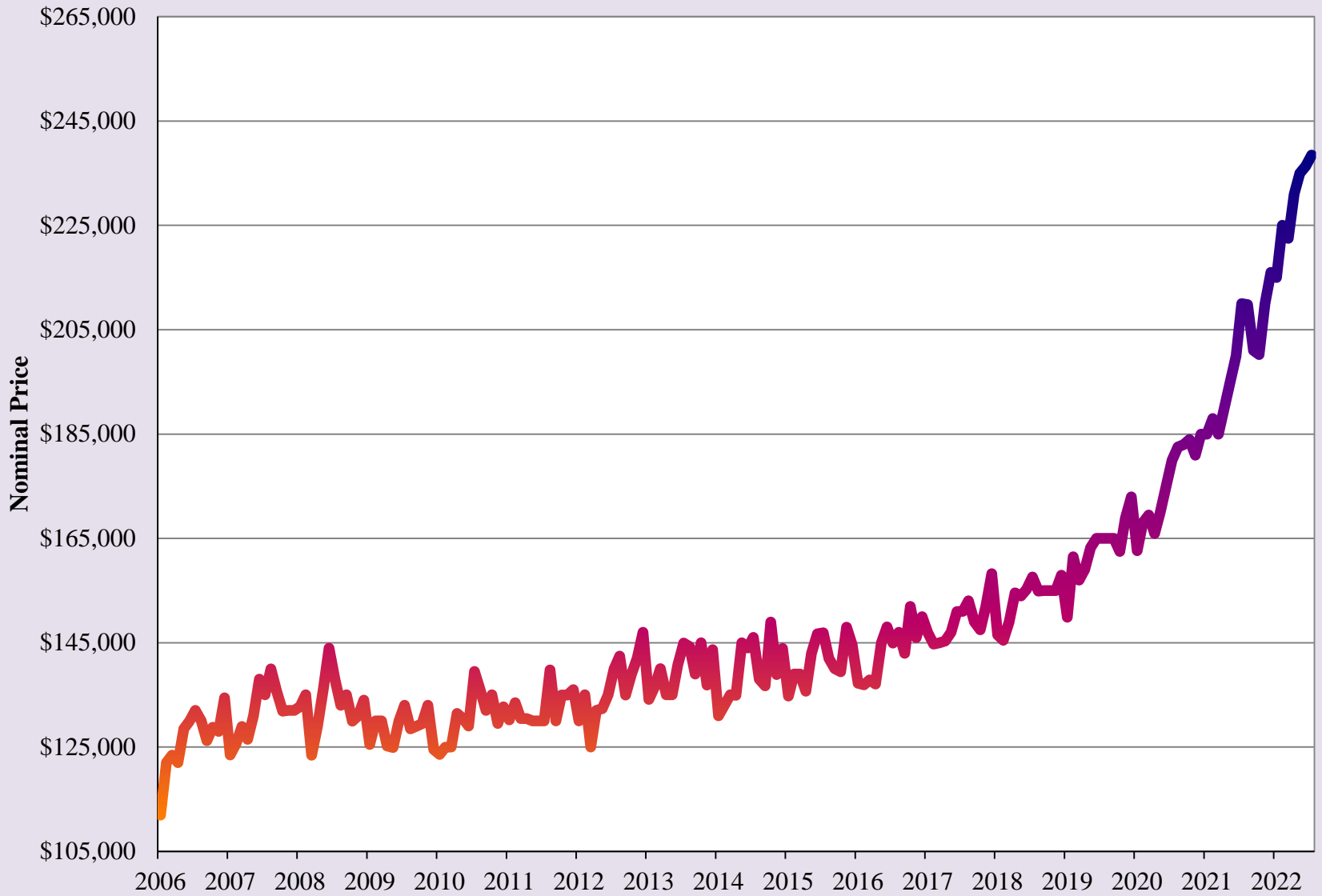
El Paso Median Housing Prices

2020 2021 2022



Source: Texas A&M Real Estate Center

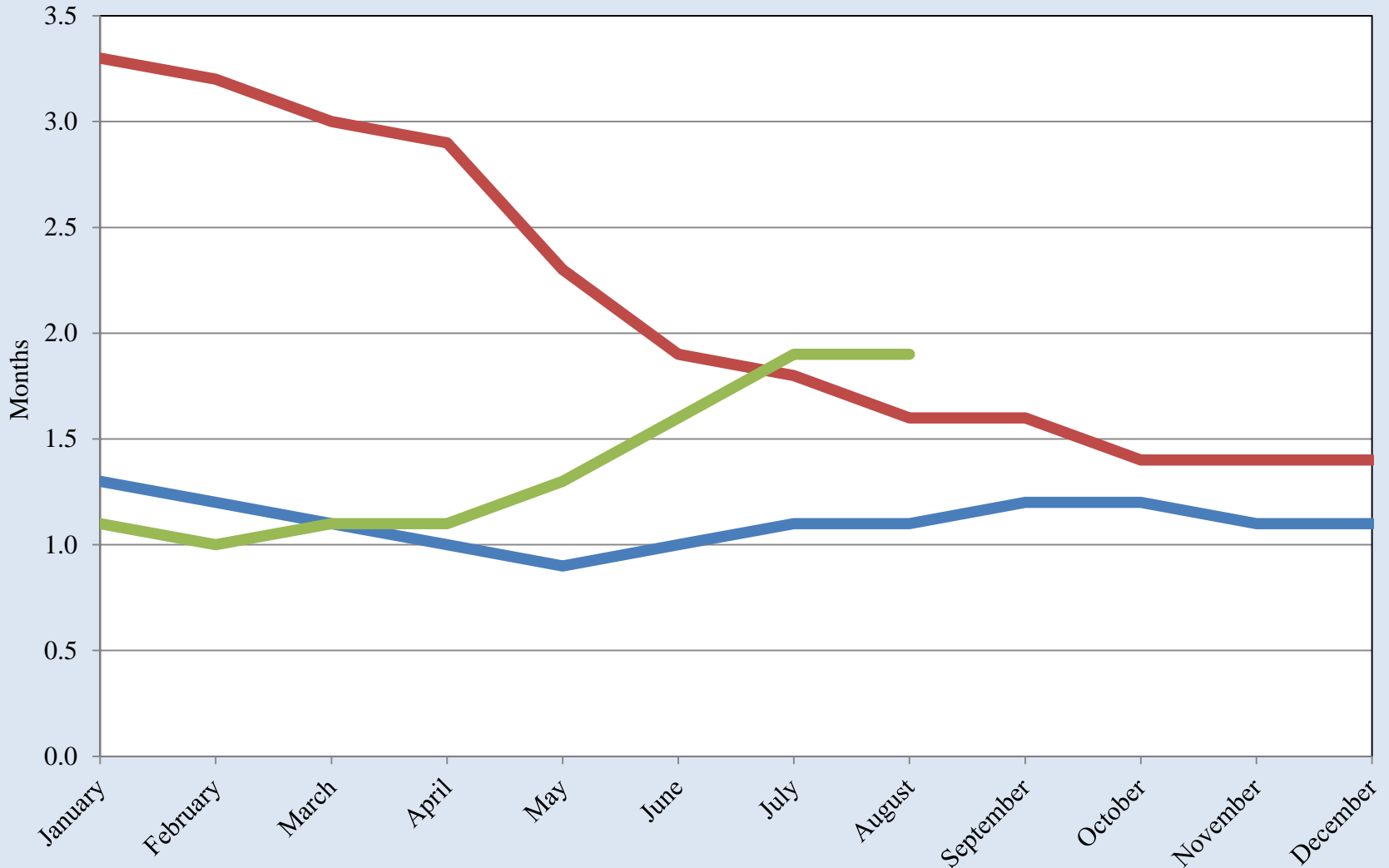
El Paso Median Housing Prices



Source: Texas A&M Real Estate Center

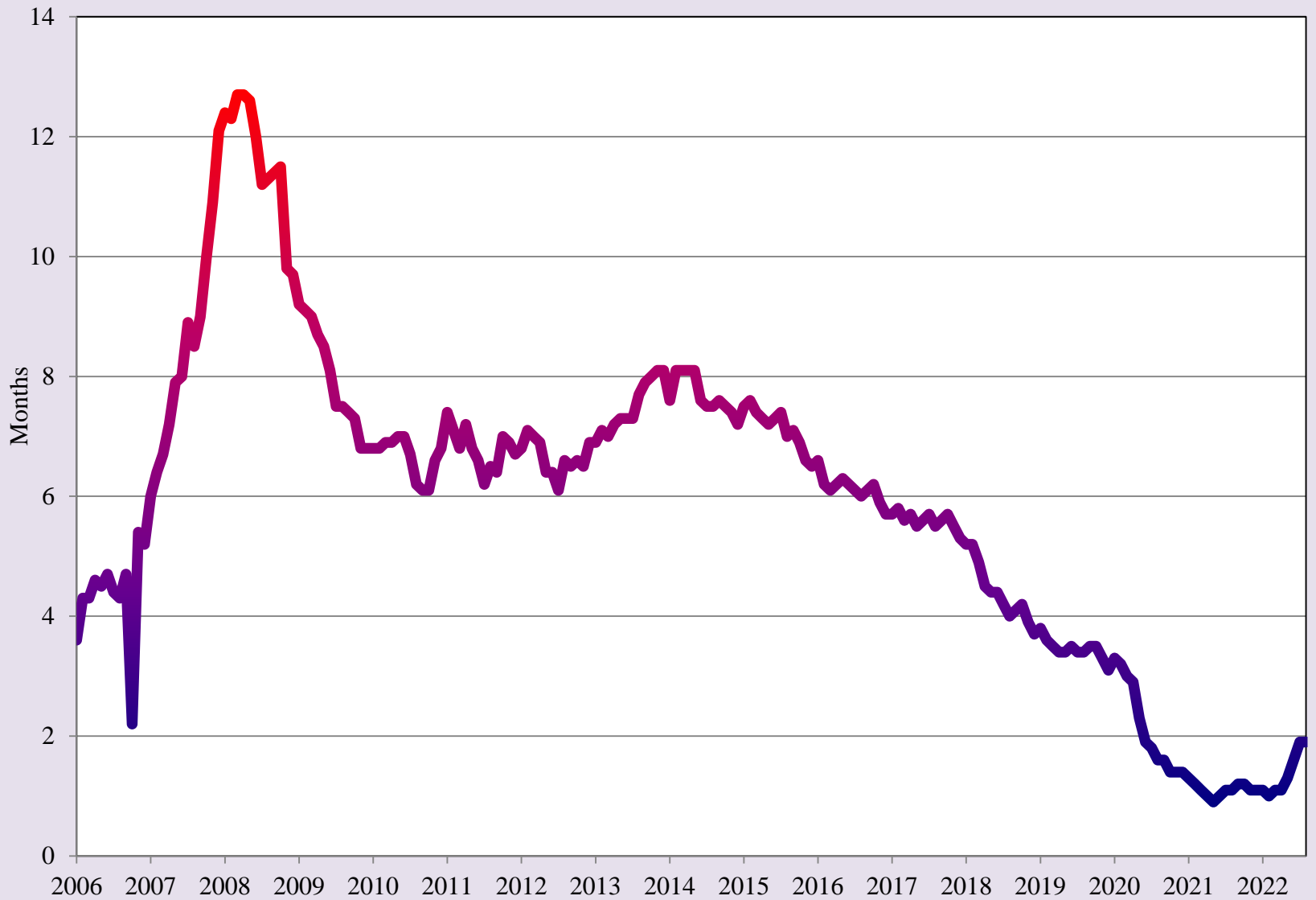
Months of Housing Inventory for El Paso

2020 2021 2022



Source: Texas A&M Real Estate Center

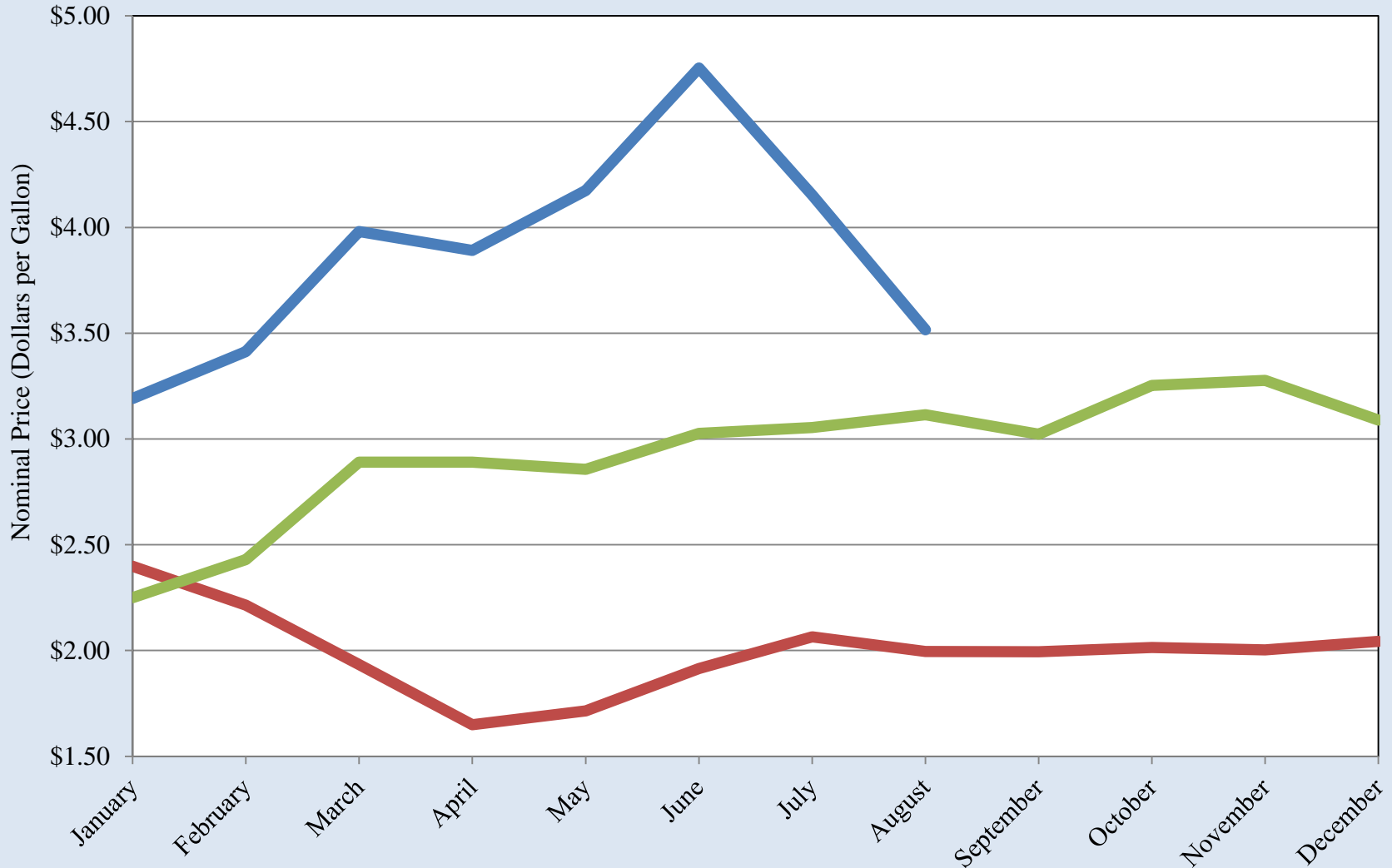
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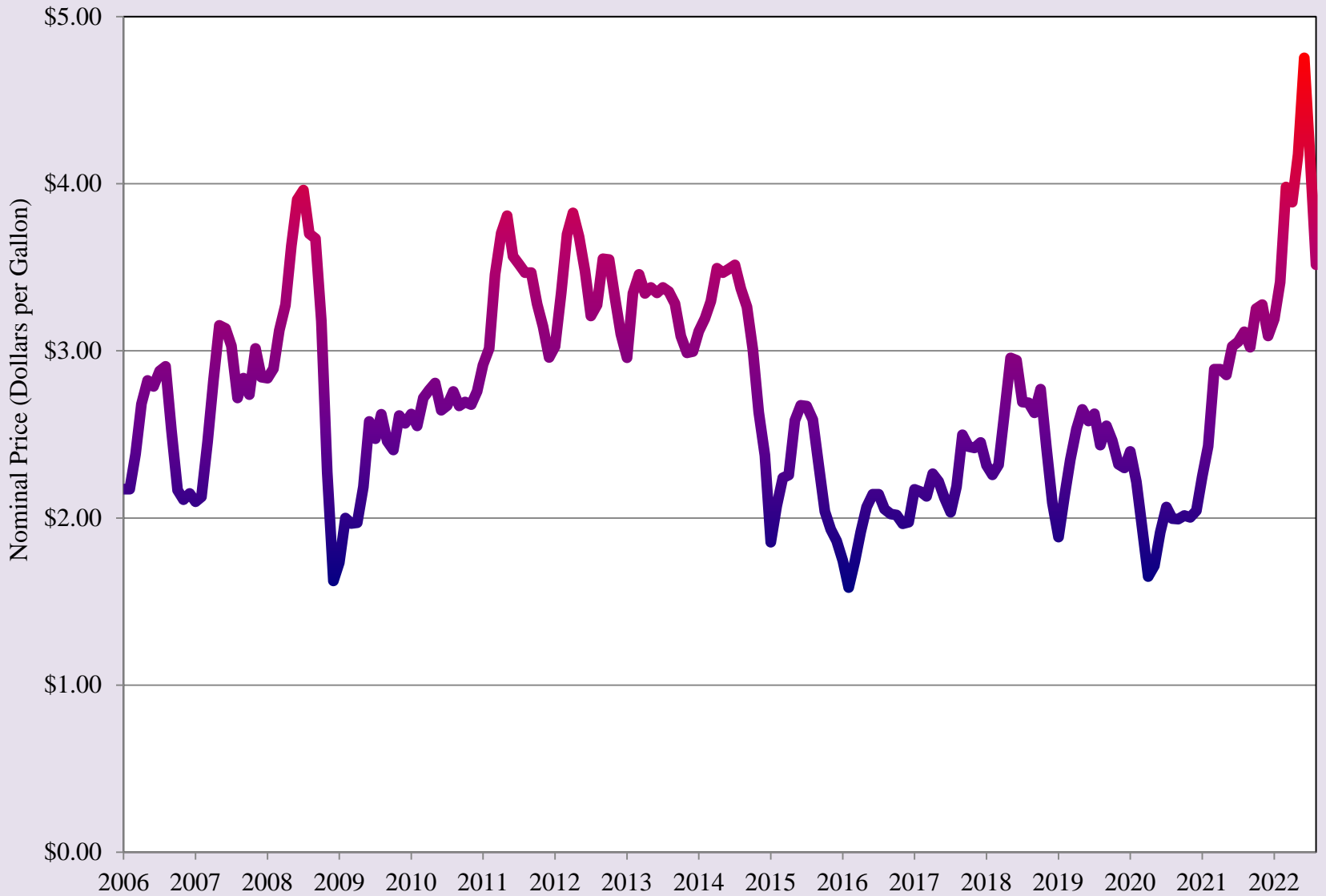
El Paso Gasoline Prices

2020 2021 2022



Source: GasBuddy.com

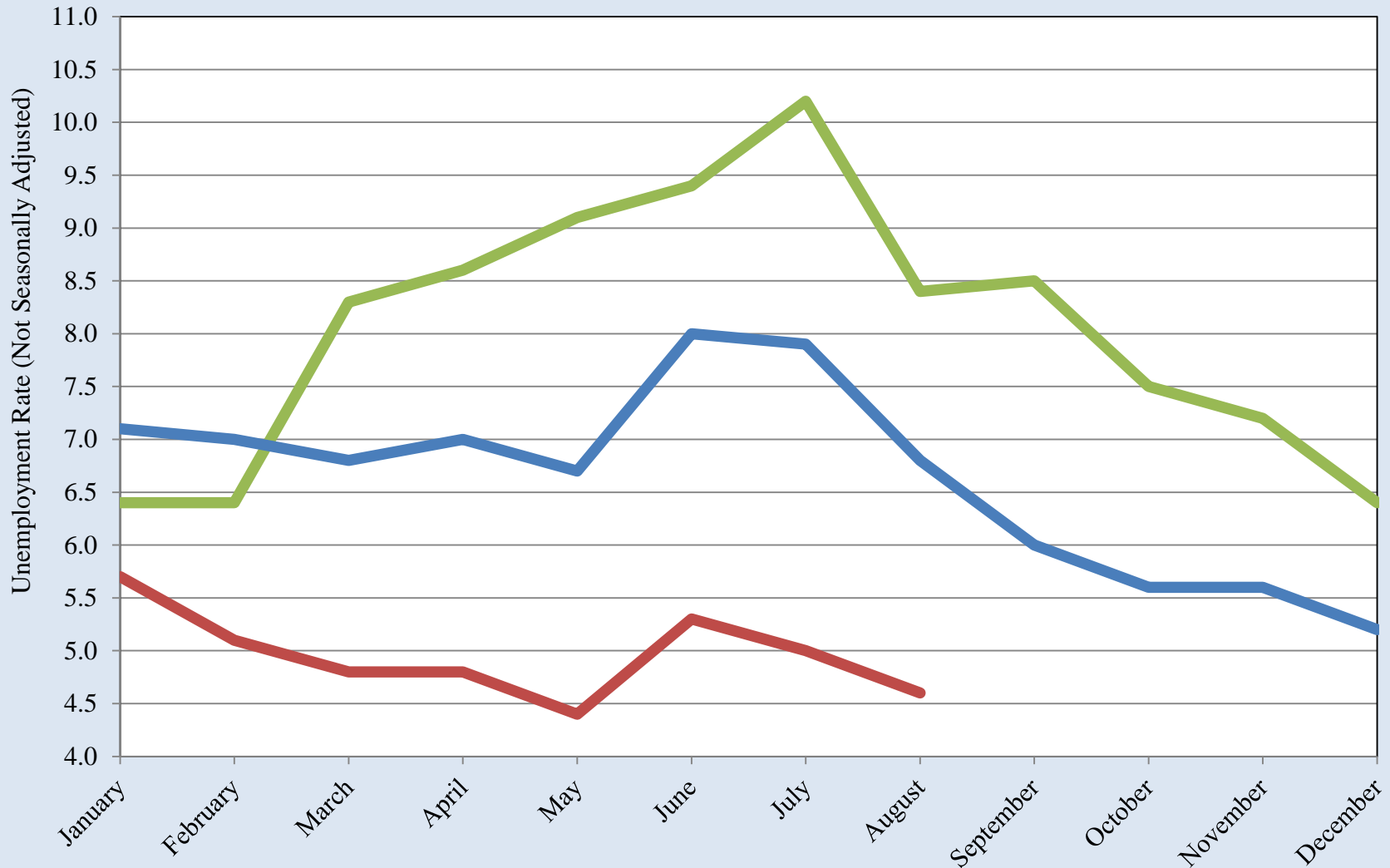
El Paso Gasoline Prices



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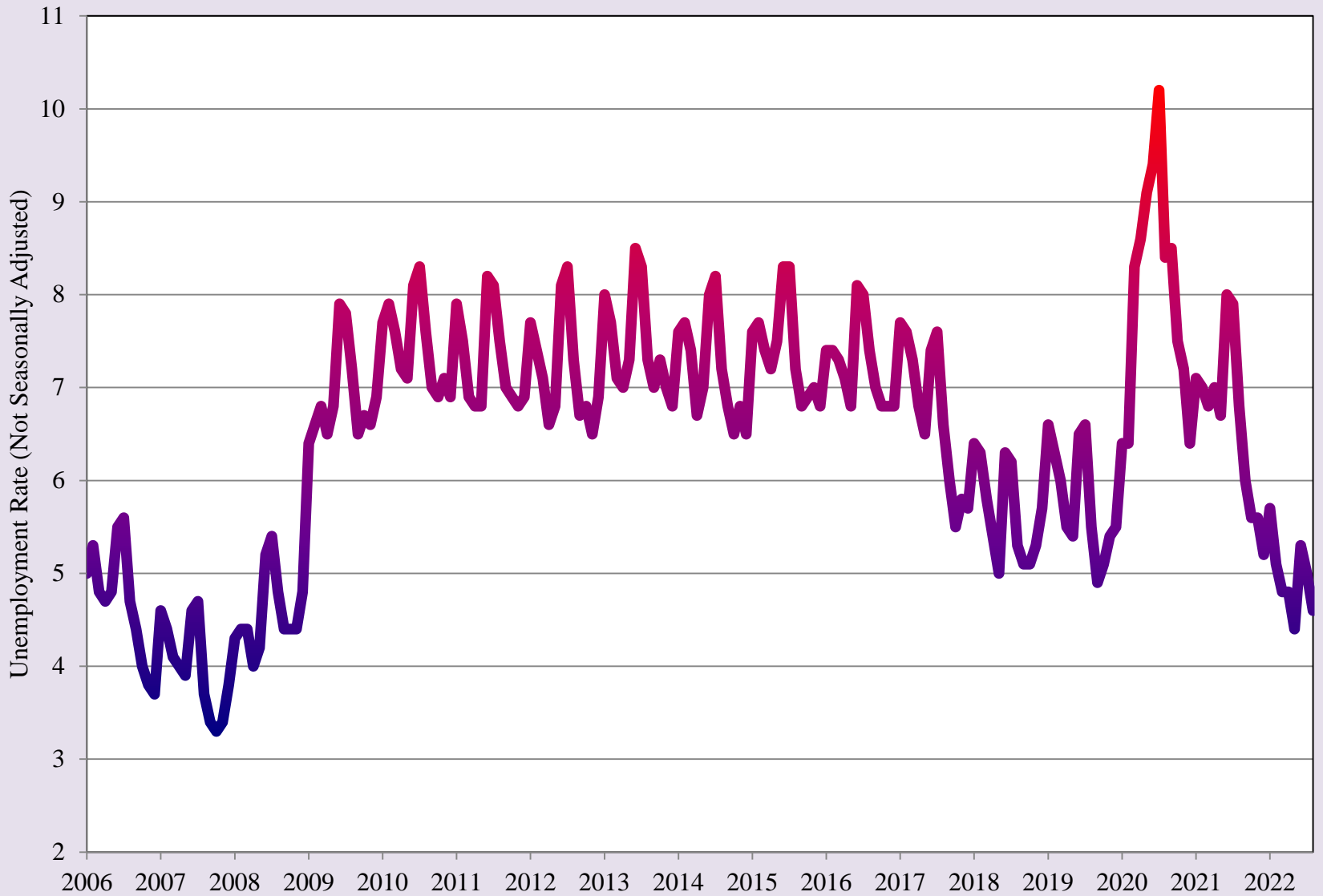
Doña Ana County Unemployment Rate

2020 2021 2022



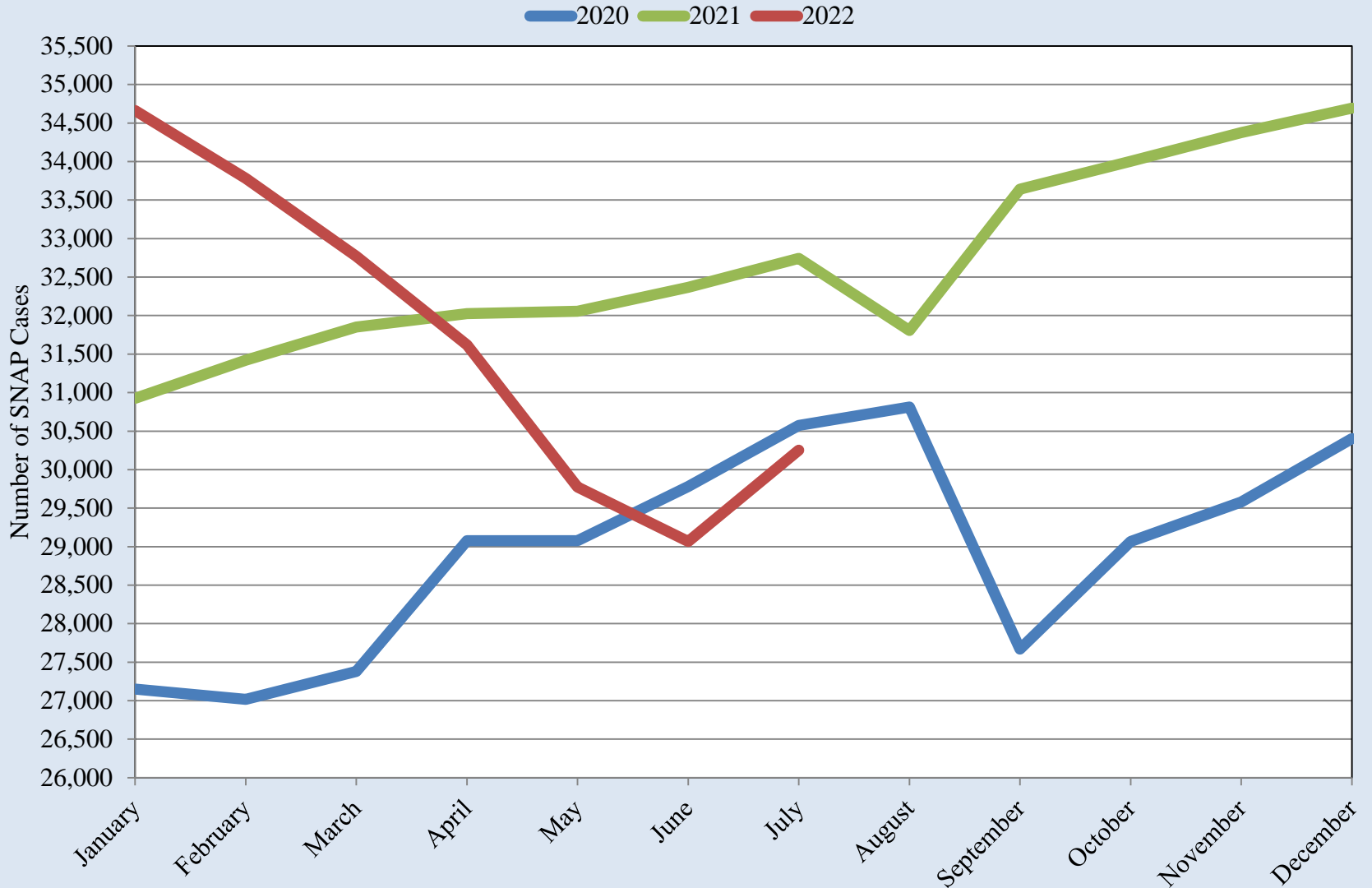
Source: Bureau of Labor Statistics

Doña Ana County Unemployment Rate



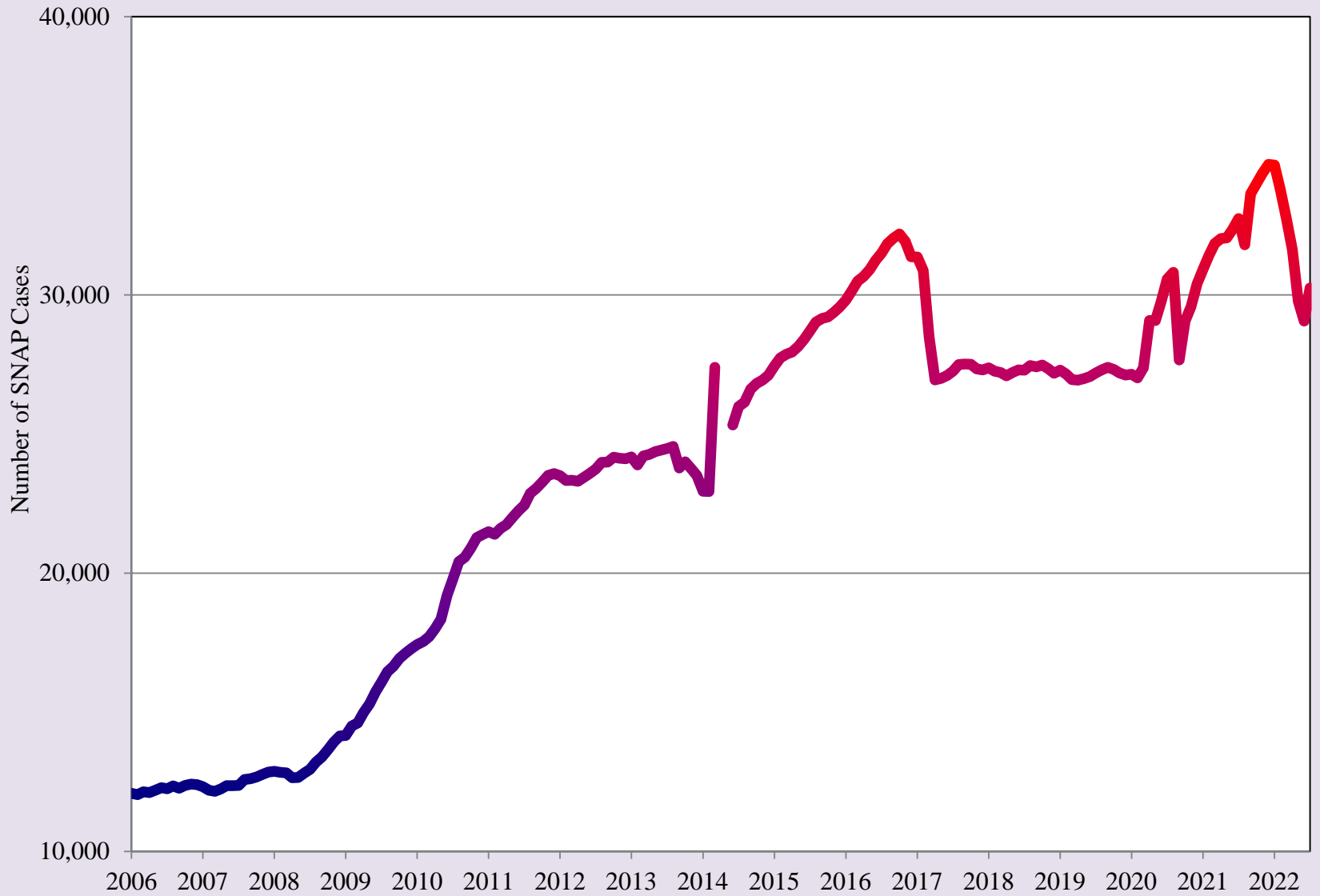
Source: Bureau of Labor Statistics

Las Cruces Area SNAP (Food Stamp) Cases



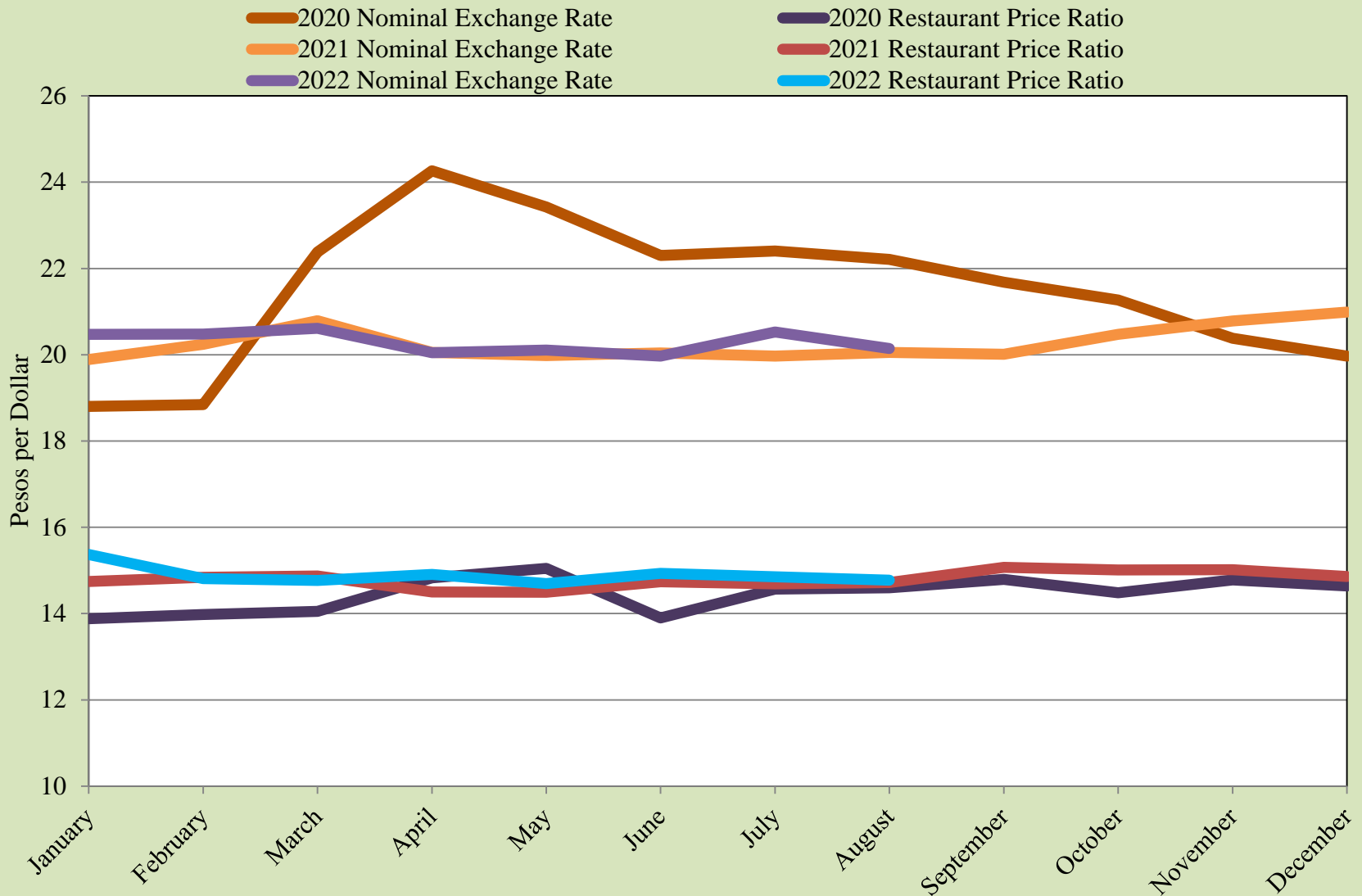
Source: New Mexico Human Services Department

Las Cruces Area SNAP (Food Stamp) Cases



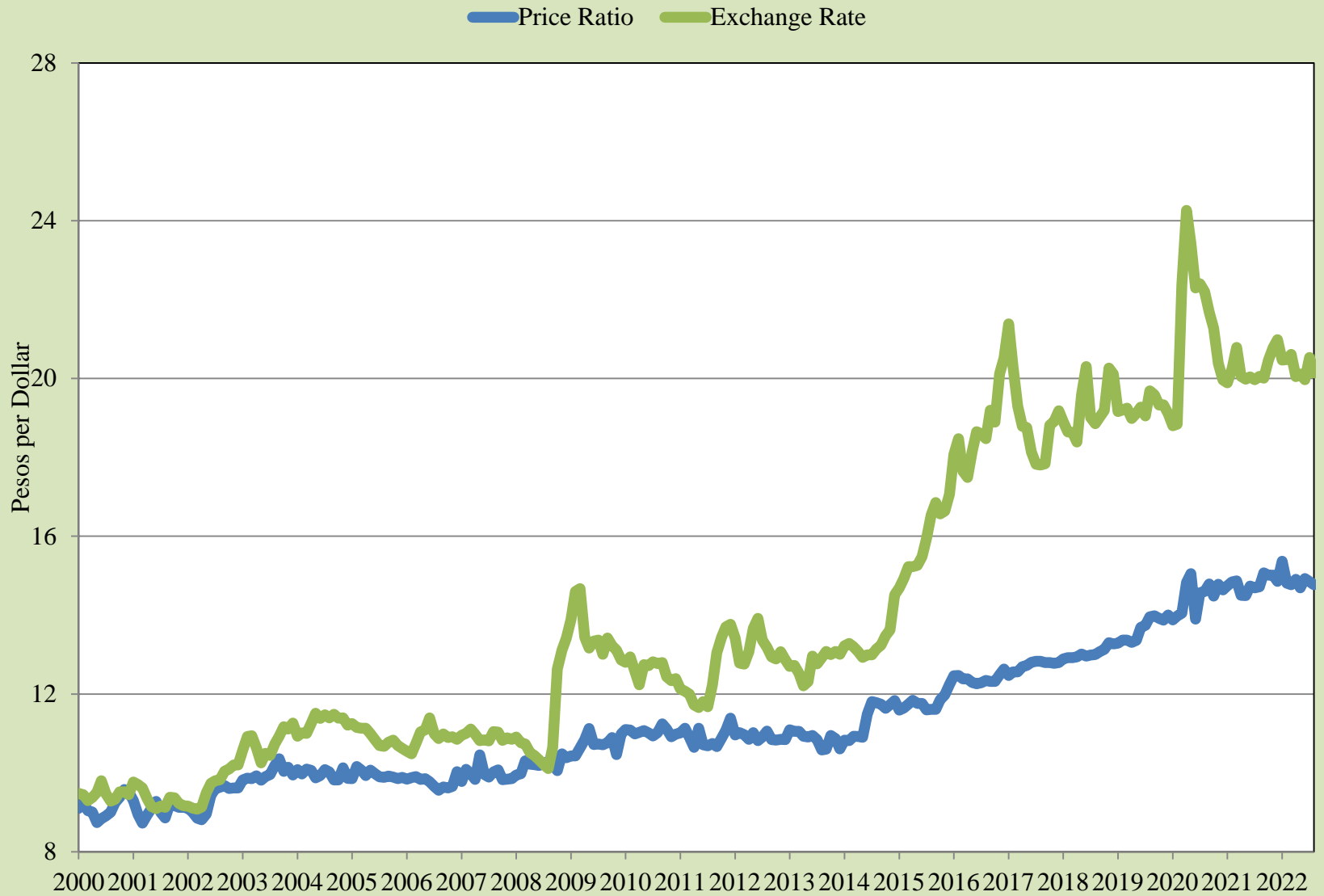
Source: New Mexico Human Services Department

Restaurant Price Ratio and Exchange Rate



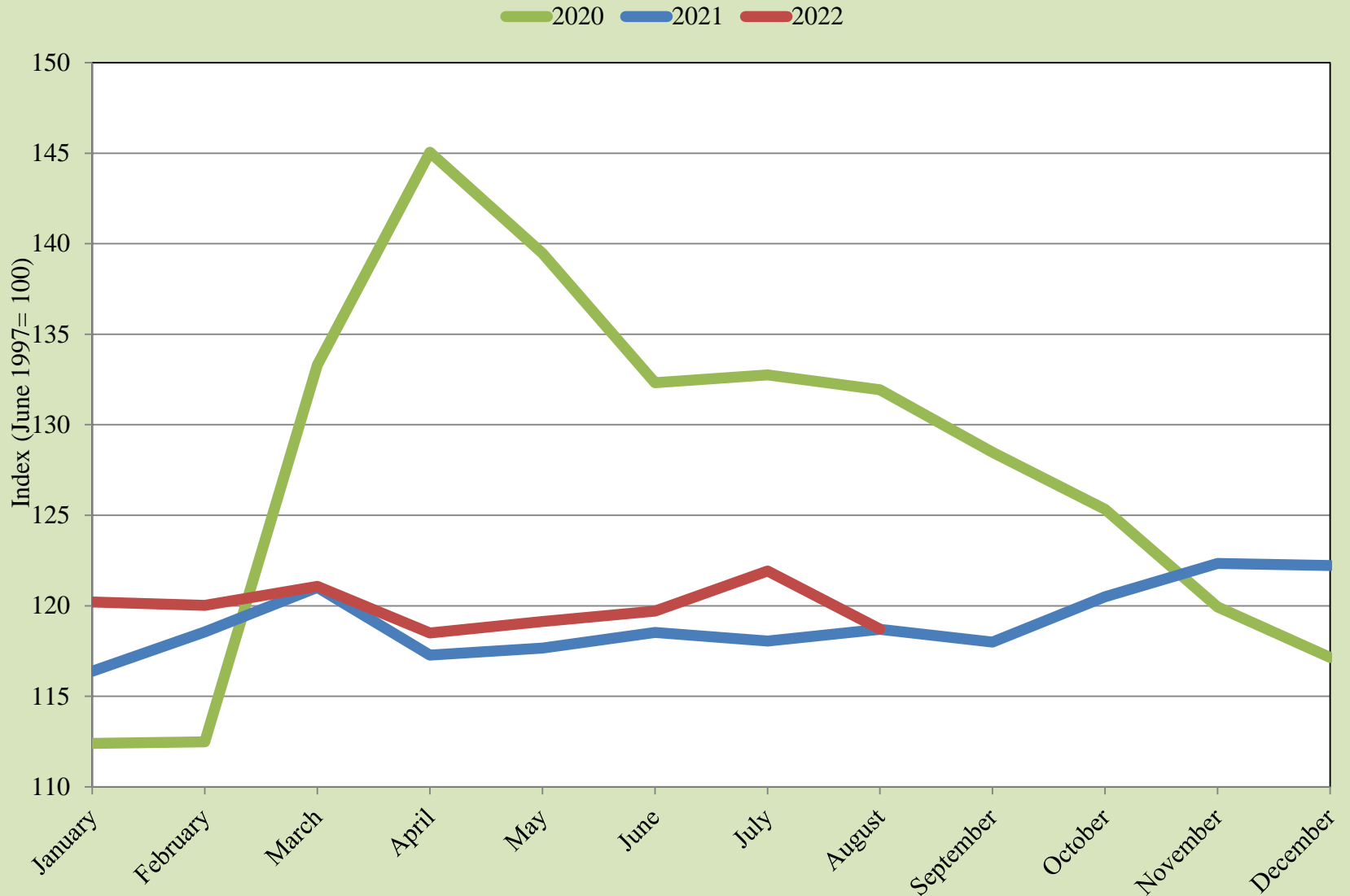
Source: UTEP Border Region Modeling Project and Banco de Mexico

Restaurant Price Ratio and Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

Real Peso-per-Dollar Exchange Rate Index



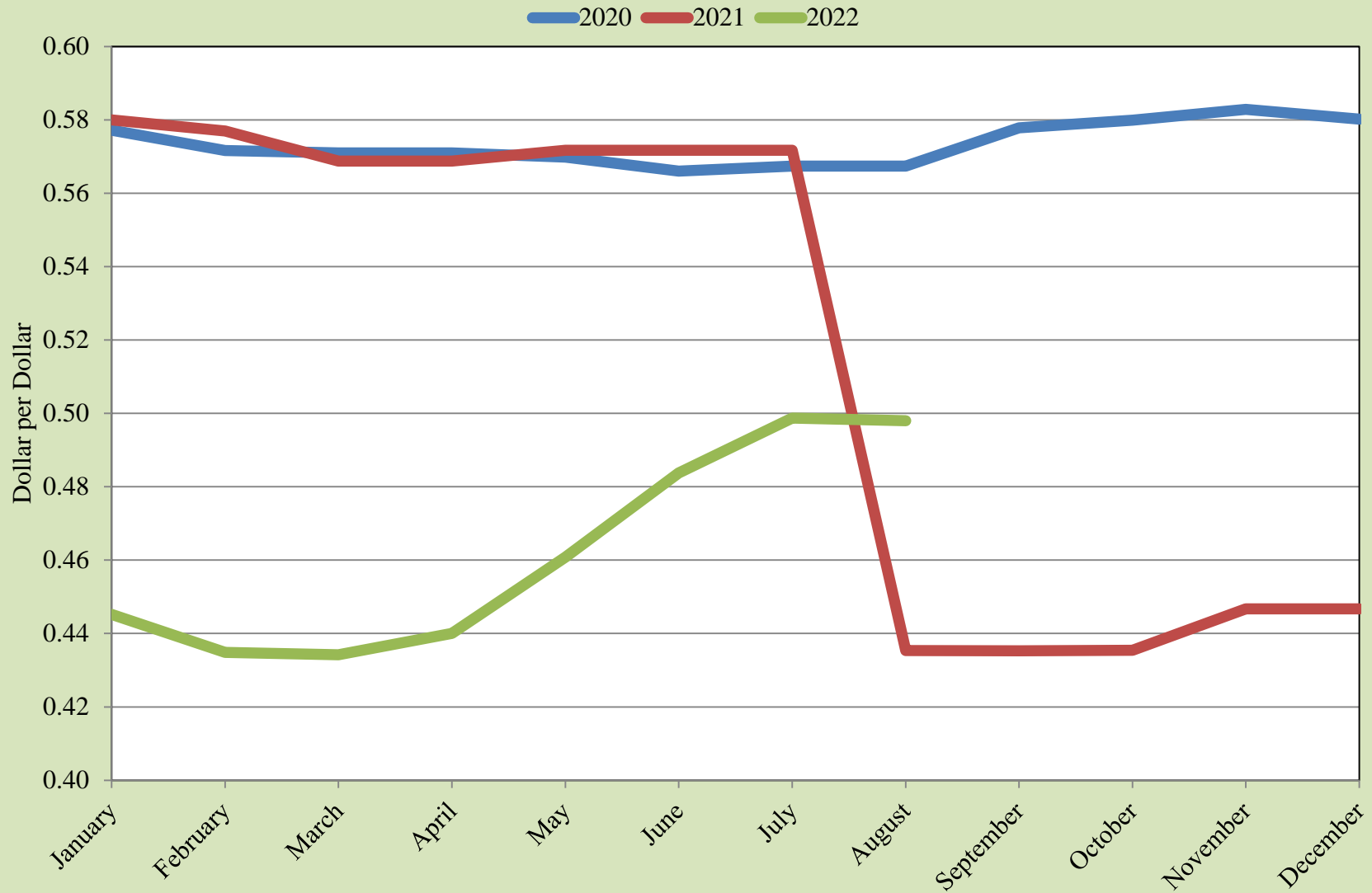
Source: UTEP Border Region Modeling Project

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

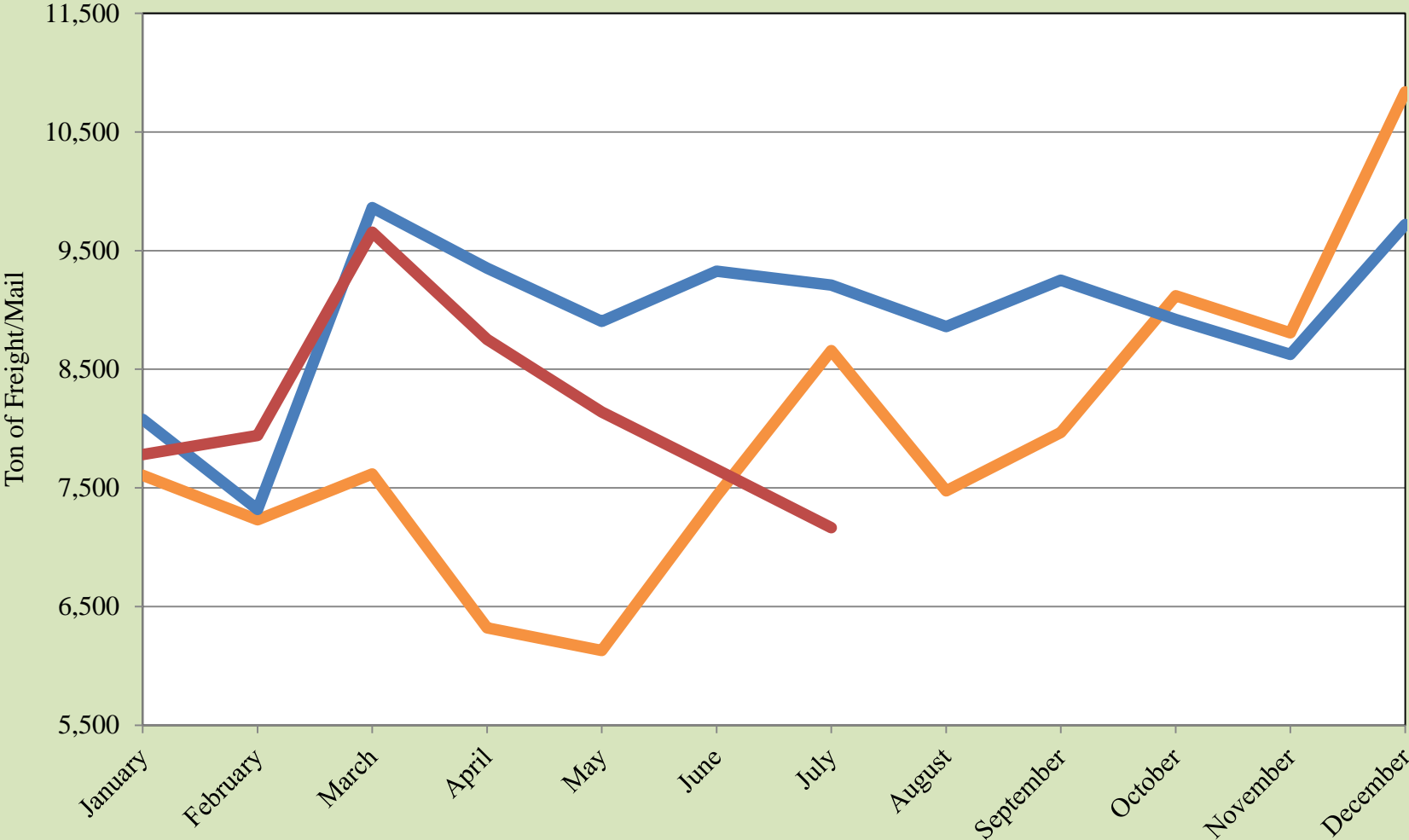
Pharmaceutical Nominal Price Ratio in the USA and Mexico



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EPIA Freight and Mail

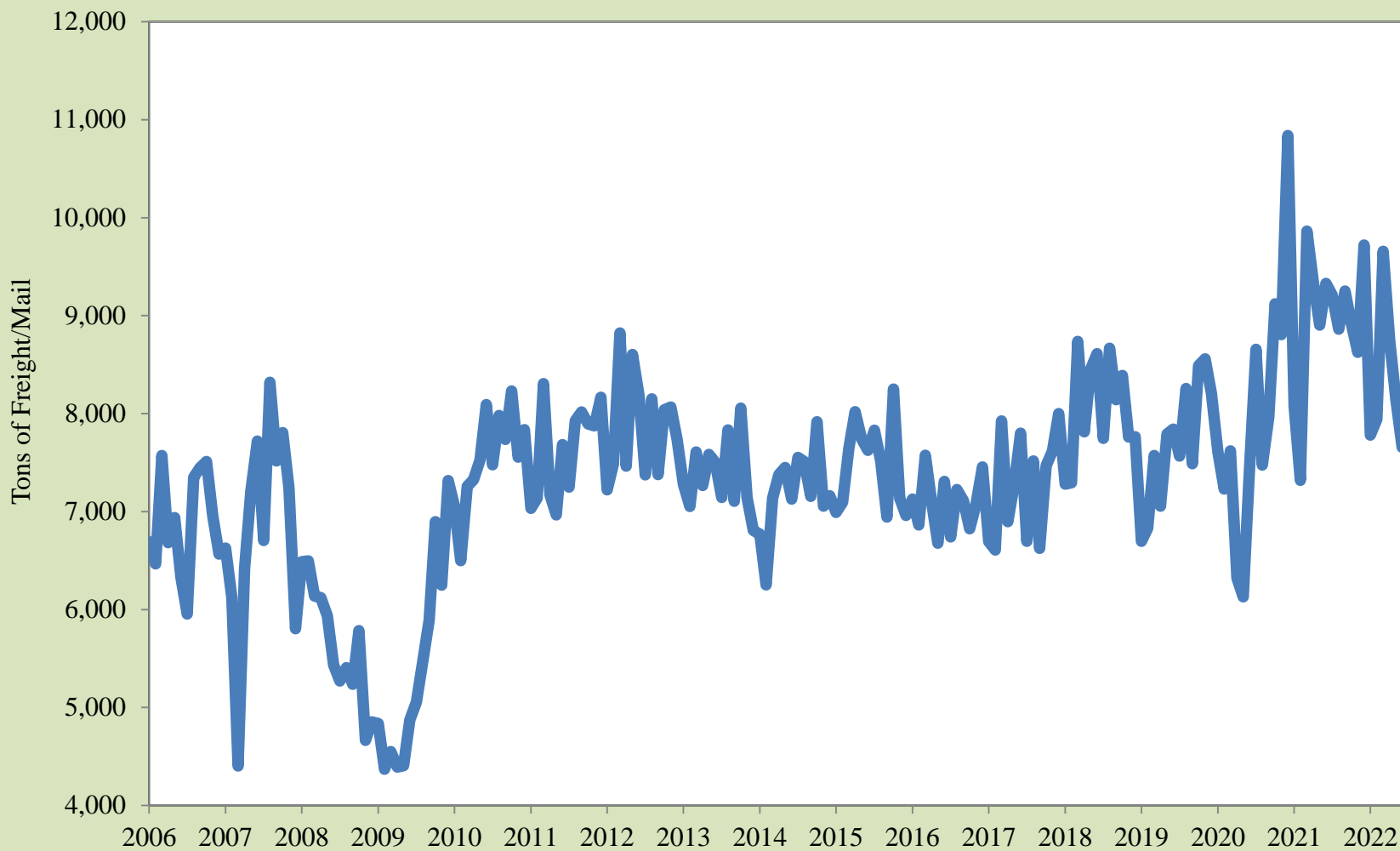
Total 2020 Total 2021 Total 2022



Source: EPIA Operations

EPIA Freight and Mail

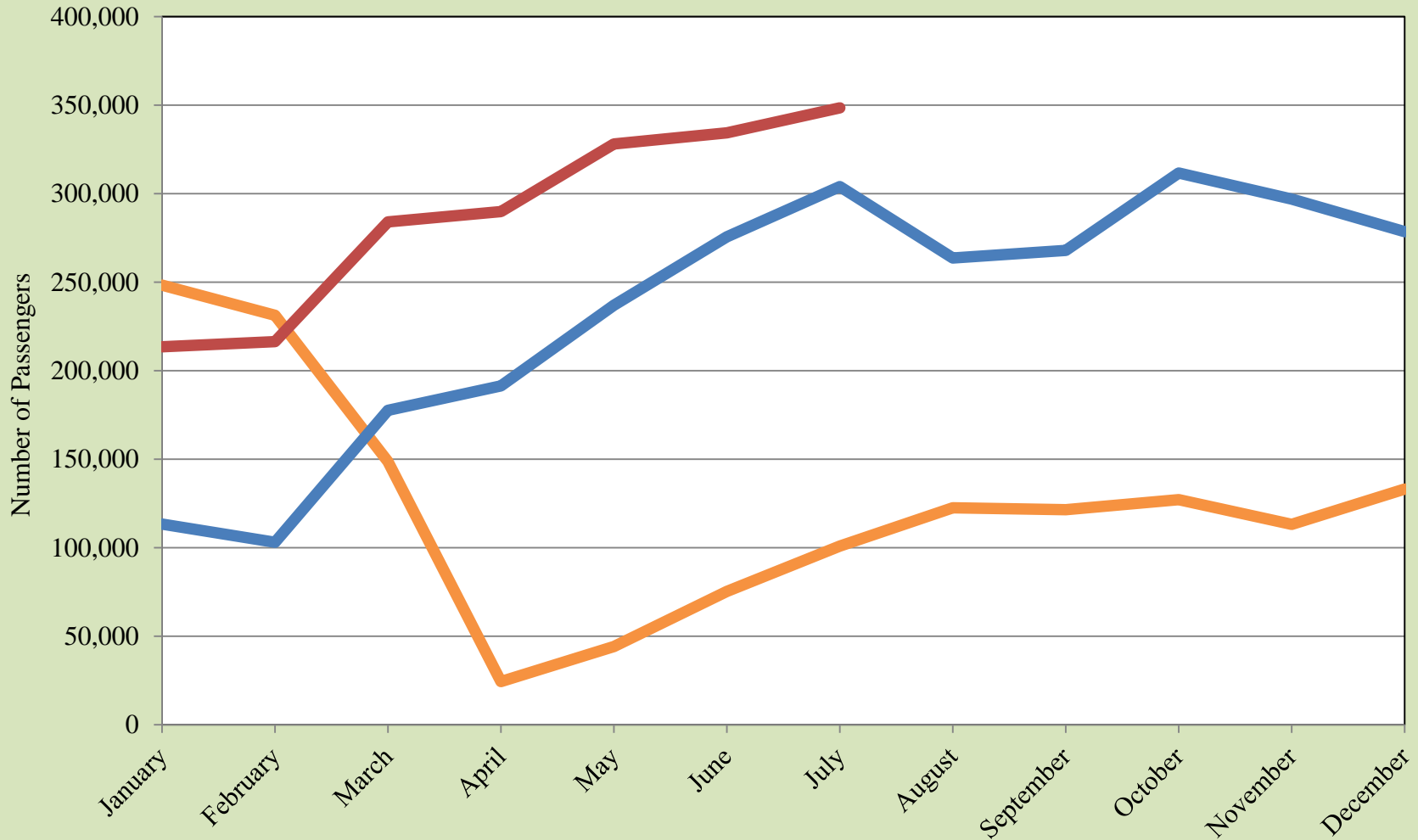
Inbound+Outbound



Source: EPIA Operations

EPIA Passengers

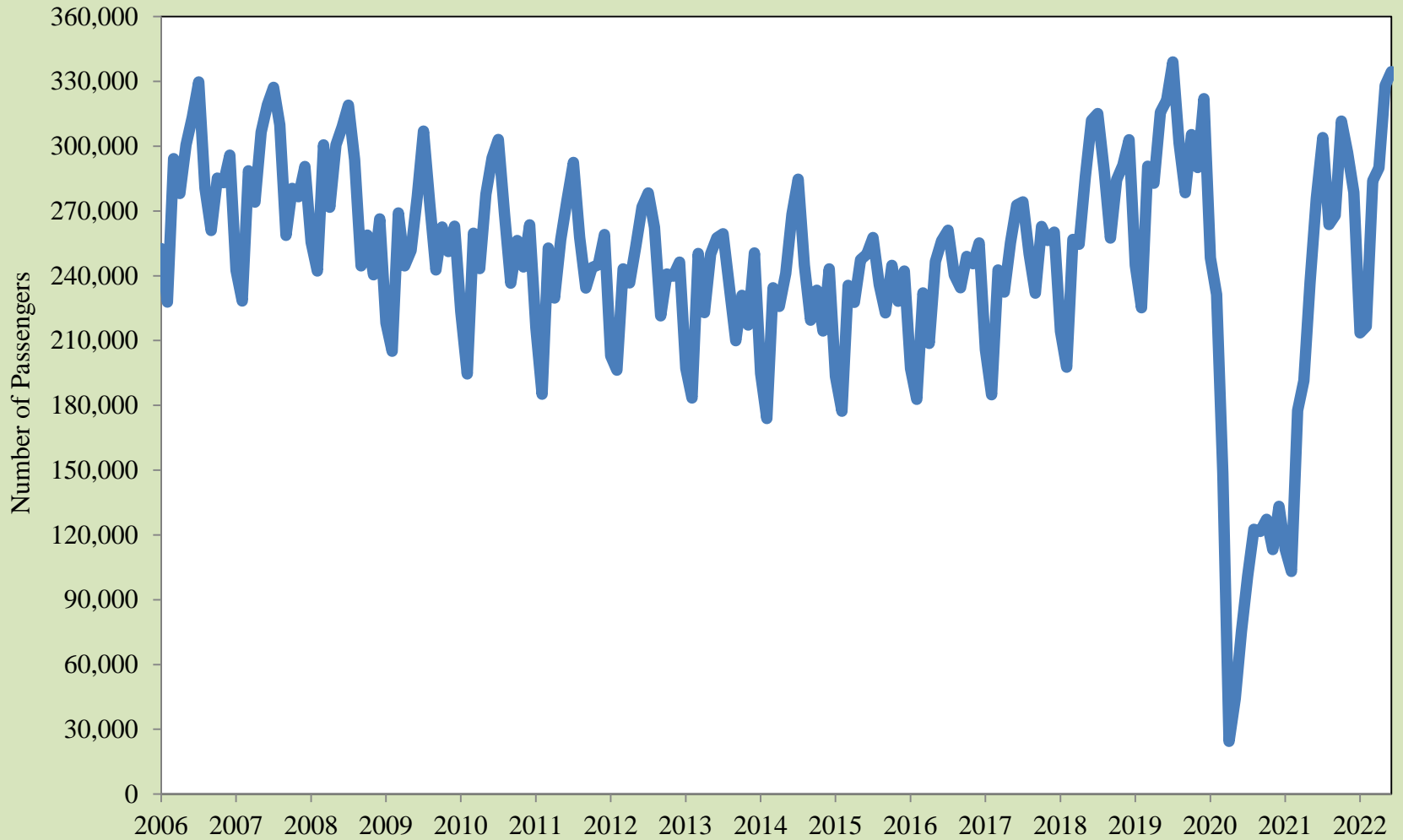
Total 2020 Total 2021 Total 2022



Source: EPIA Operations

EPIA Passengers

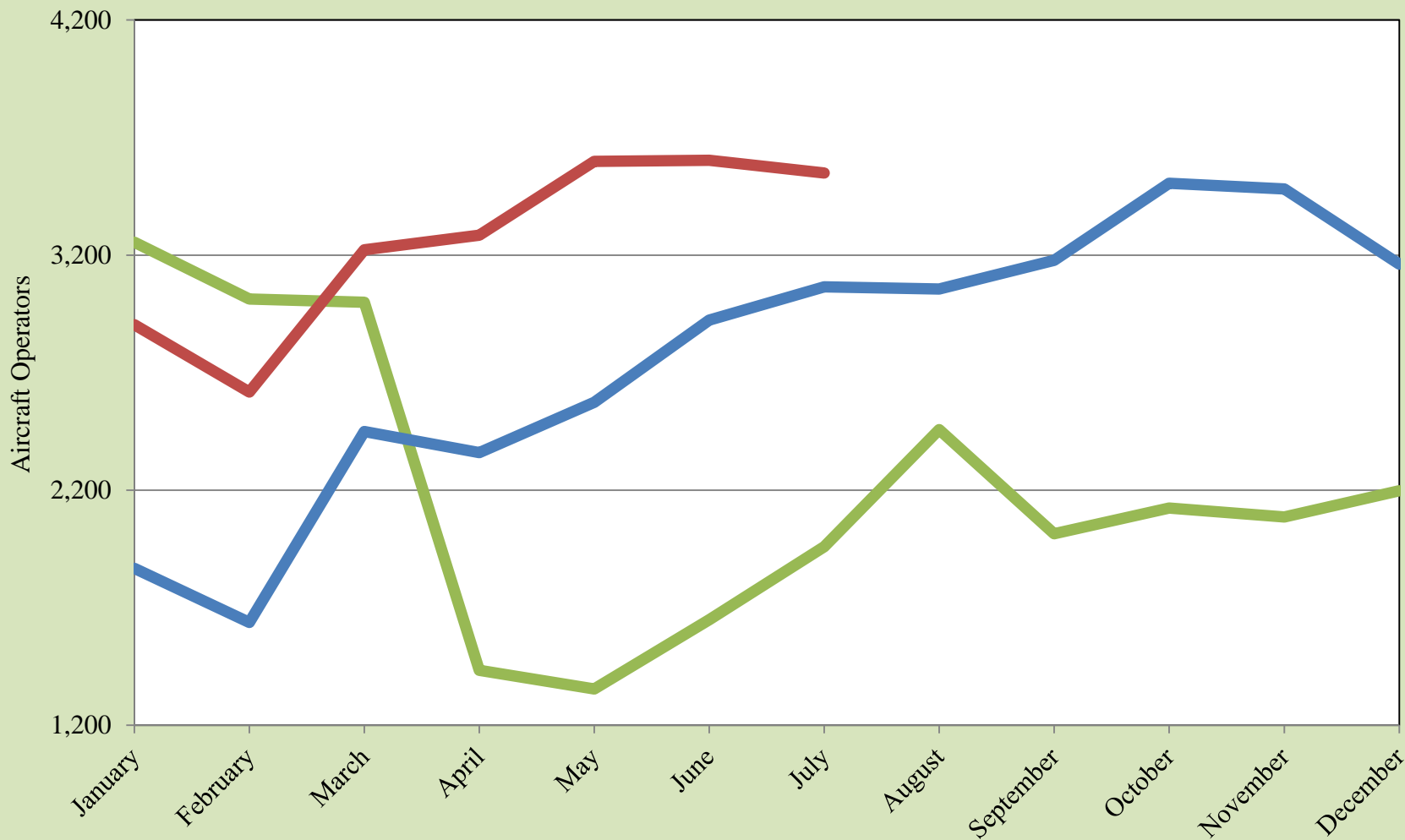
— Inbound+Outbound



Source: EPIA Operations

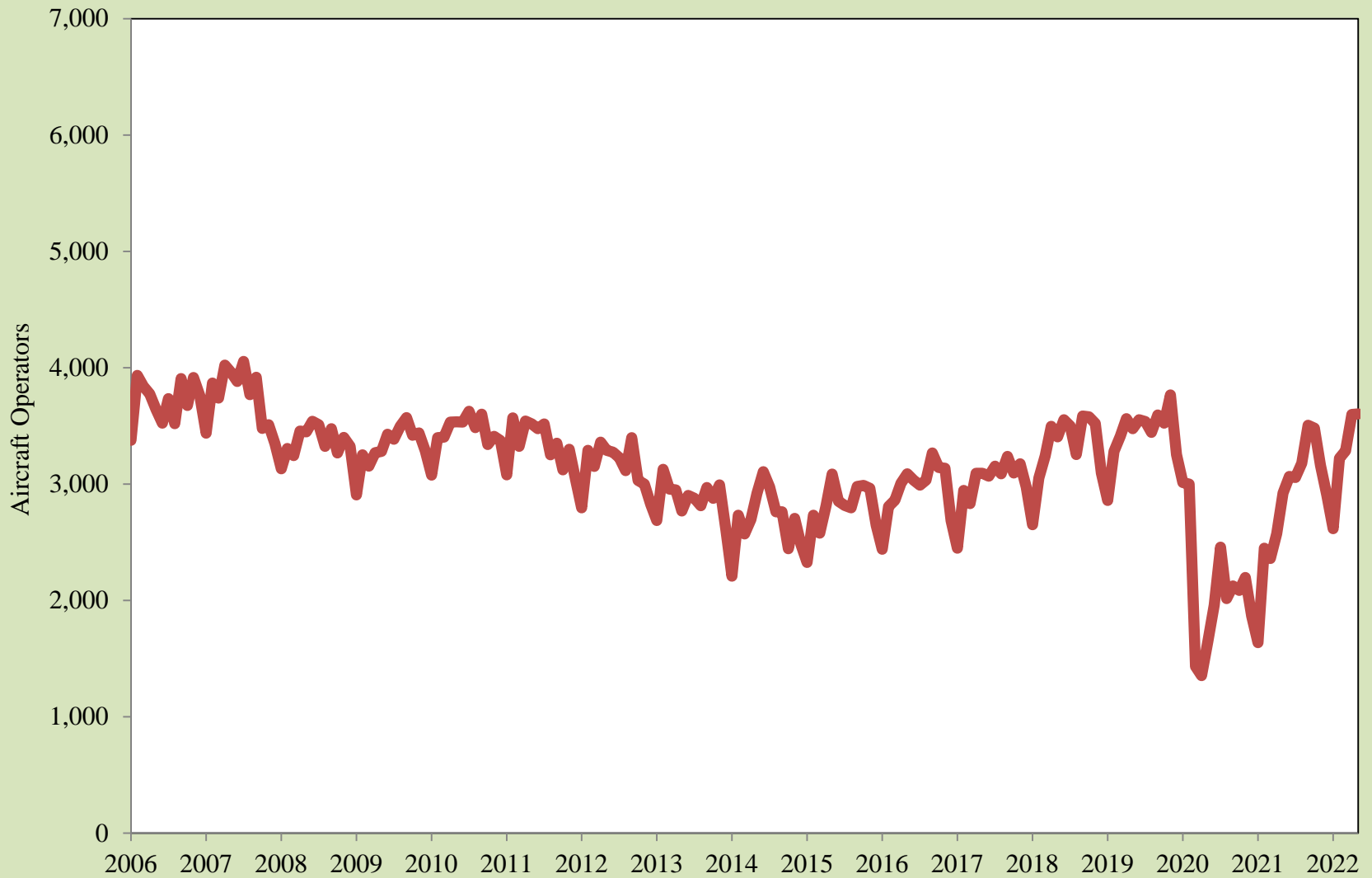
EPIA Air Carrier Operations

20-Air Carriers 21-Air Carriers 22-Air Carriers



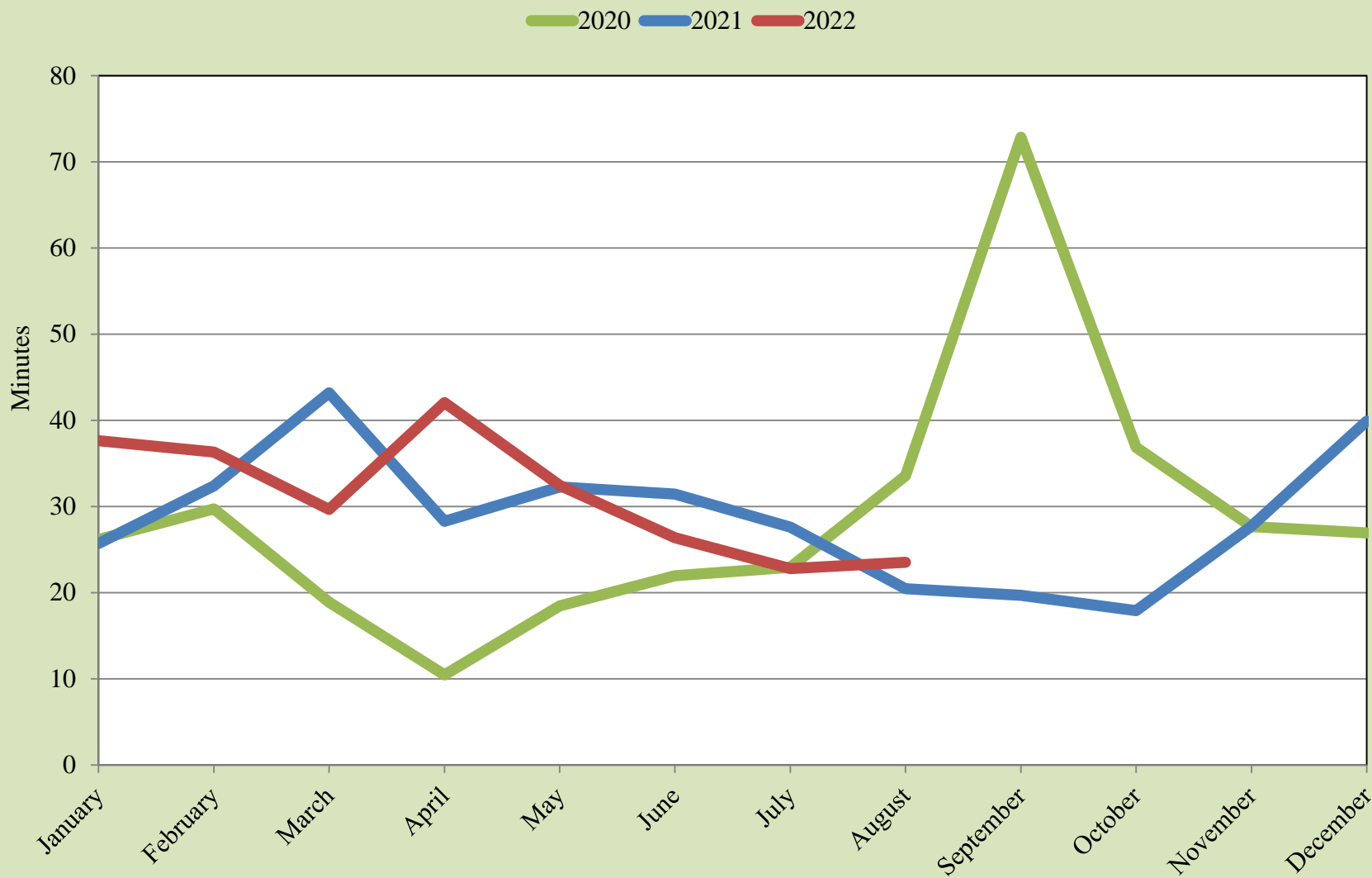
Source: EPIA Operations

EPIA Air Carrier Operations



Source: EPIA Operations

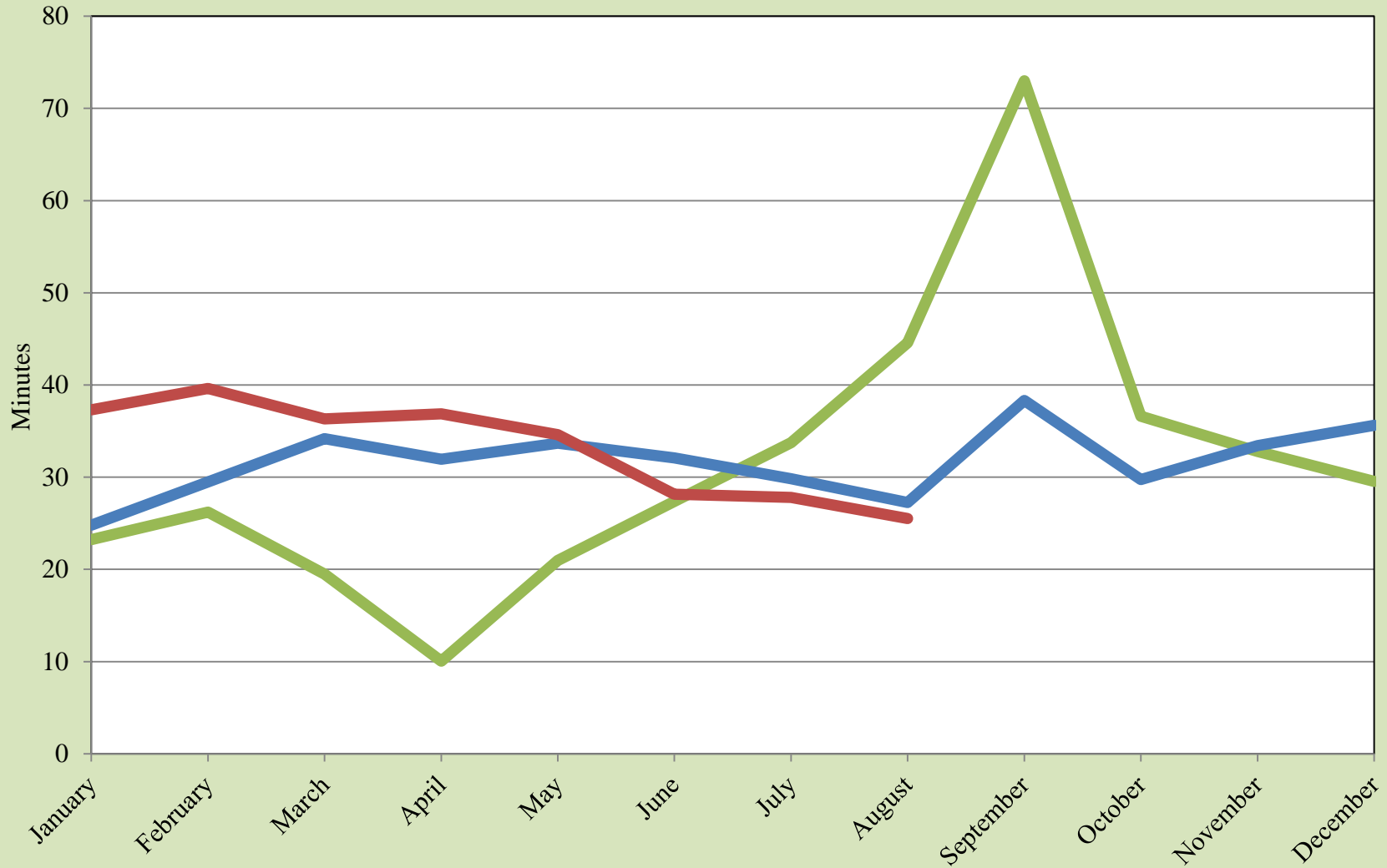
Paso del Norte Monthly Wait Times



Source: UTEP Border Region Modeling Project

Ysleta Monthly Wait Times

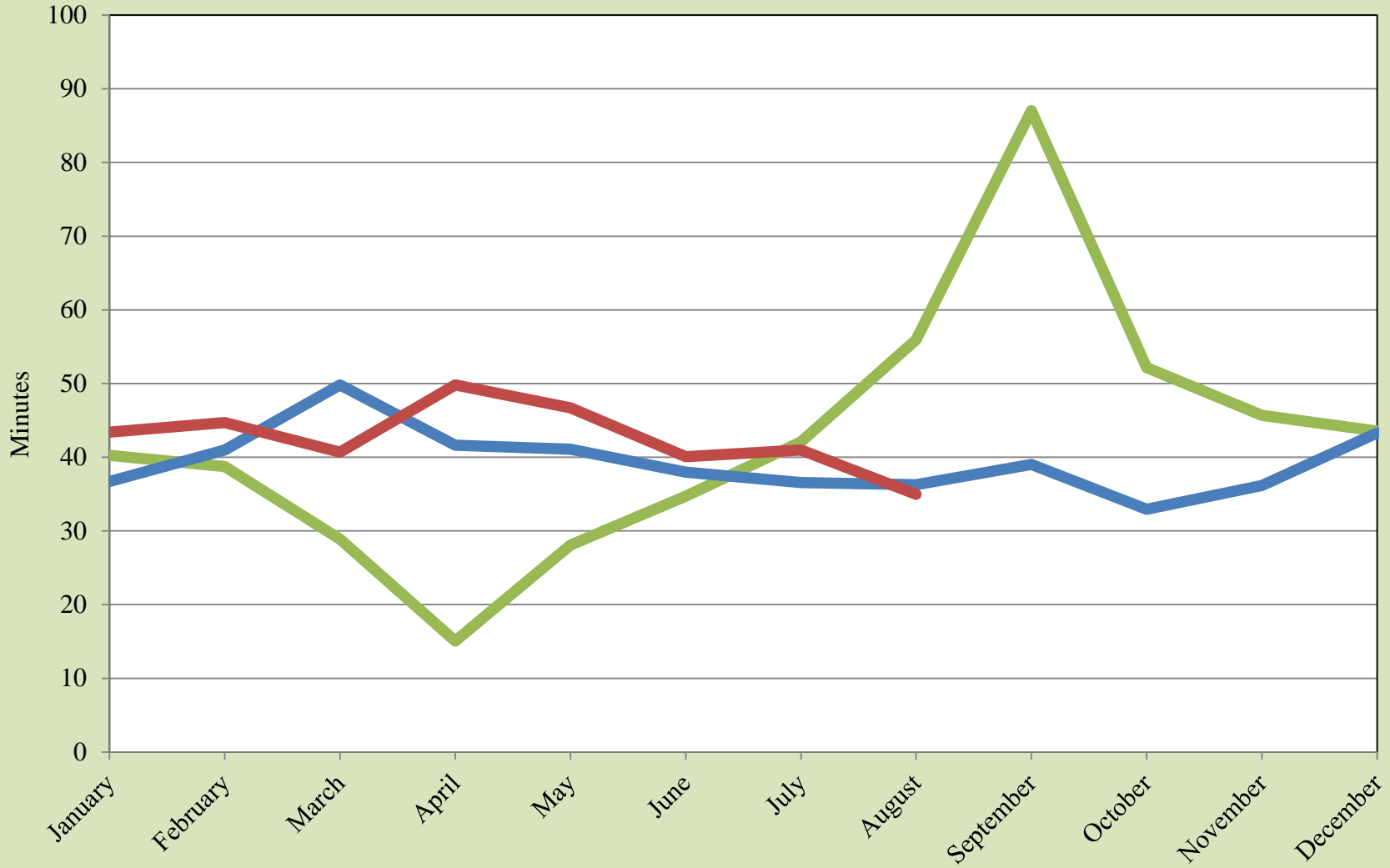
2020 2021 2022



Source: UTEP Border Region Modeling Project

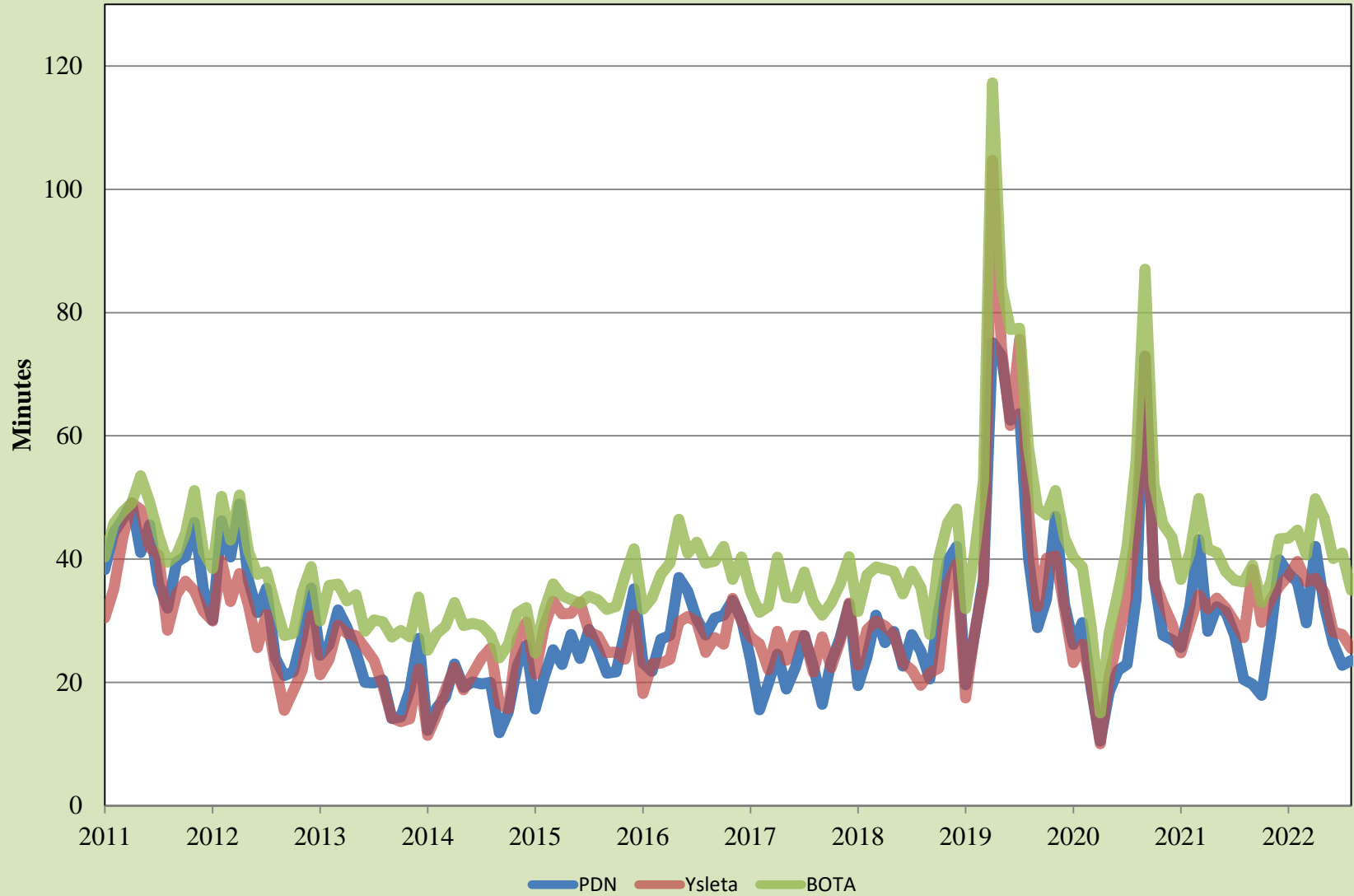
Bridge of the Americas Monthly Wait Times

2020 2021 2022



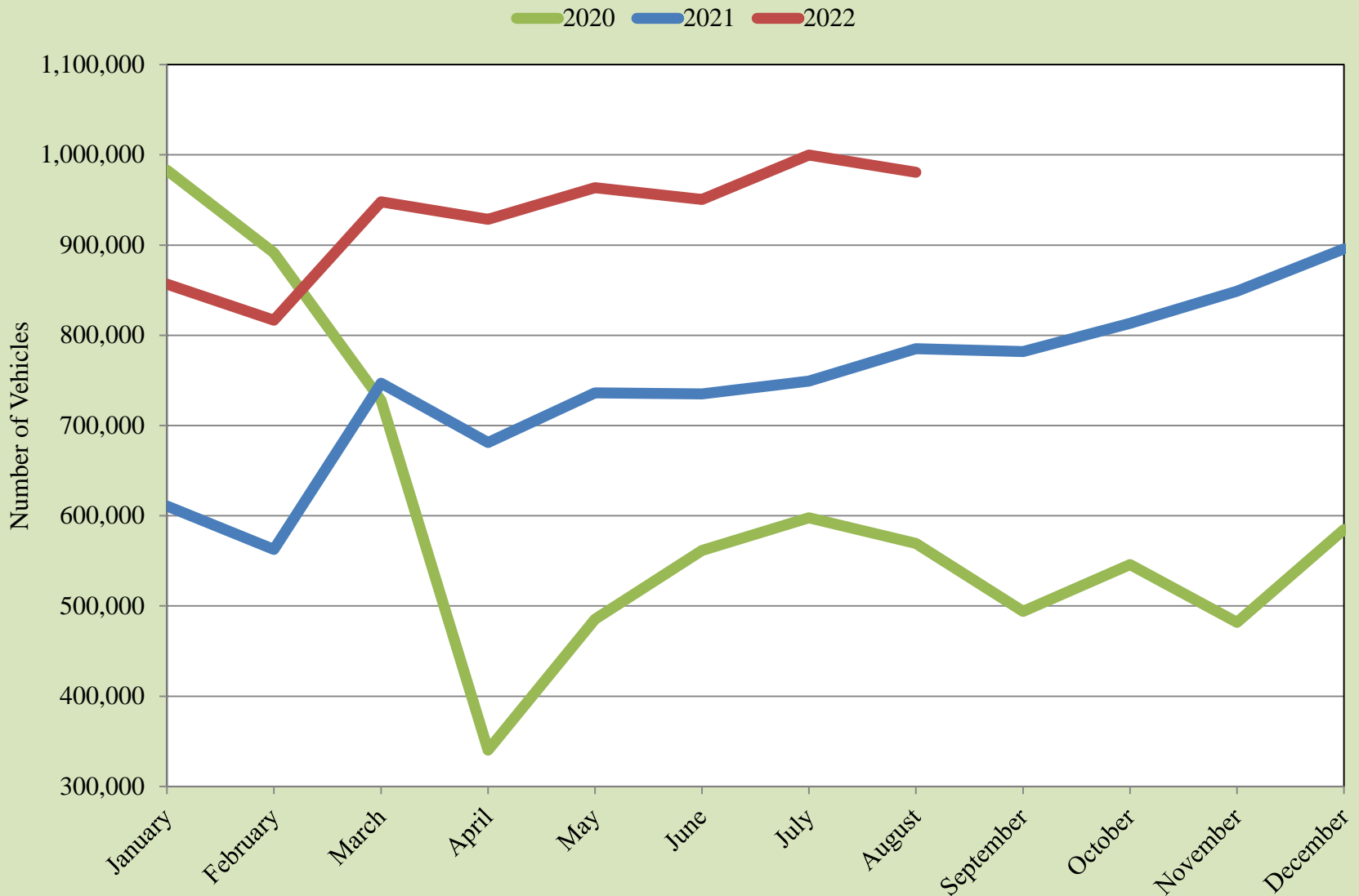
Source: UTEP Border Region Modeling Project

Monthly Border Wait Times



Source: UTEP Border Region Modeling Project

Personal Vehicle International Bridge Crossings to El Paso



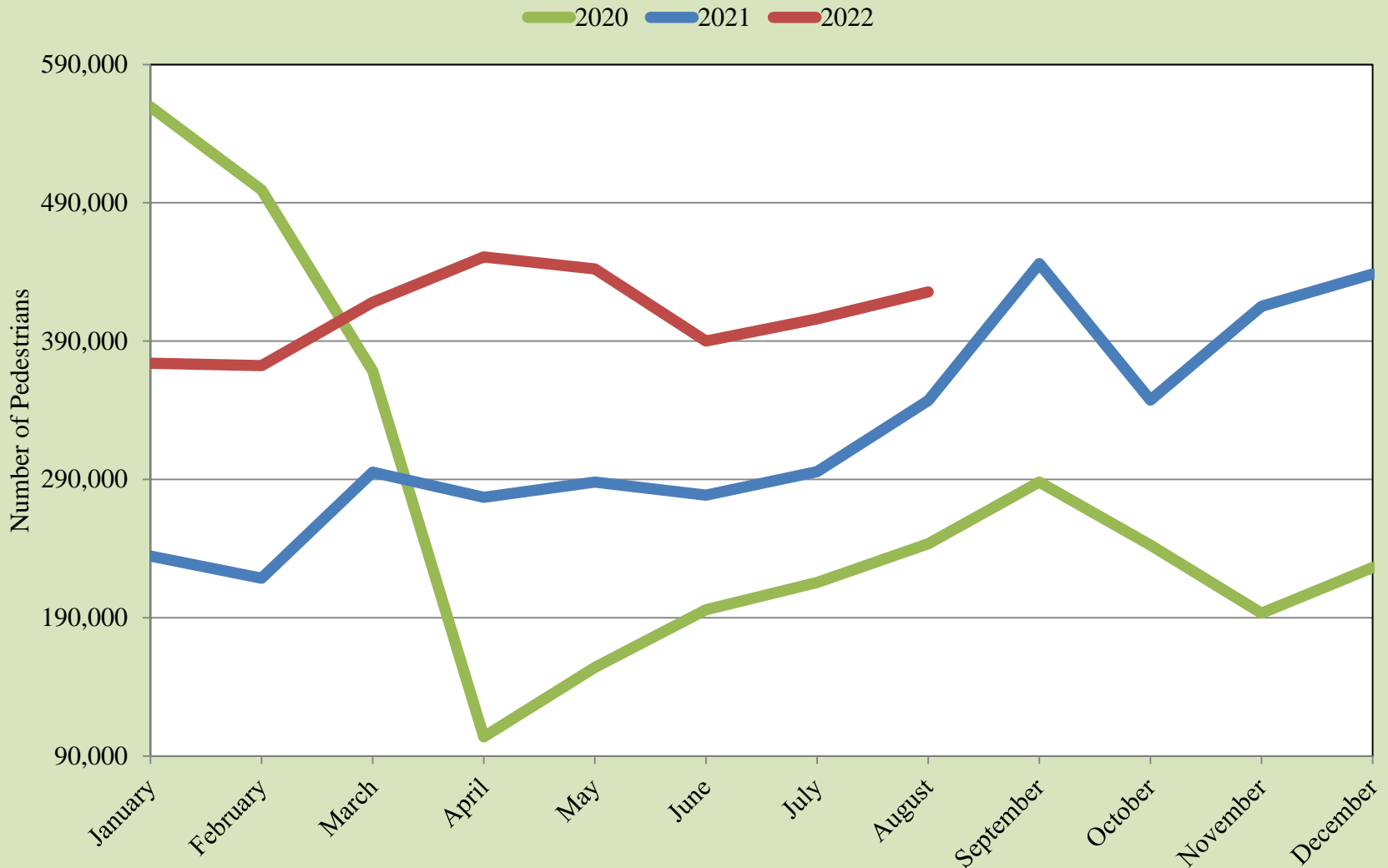
Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

Personal Vehicle International Bridge Crossings to El Paso



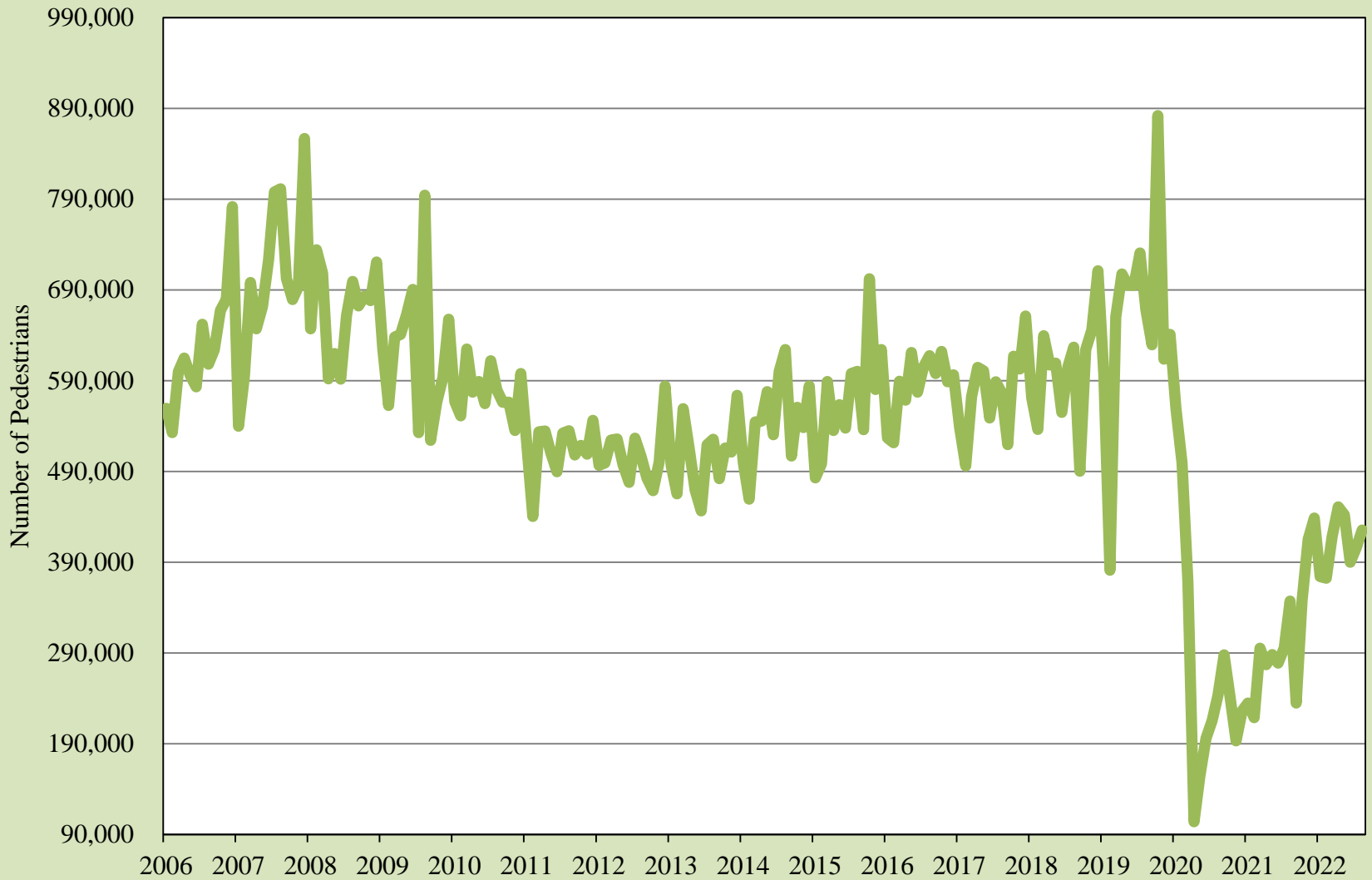
Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

Pedestrian International Bridge Crossings to El Paso



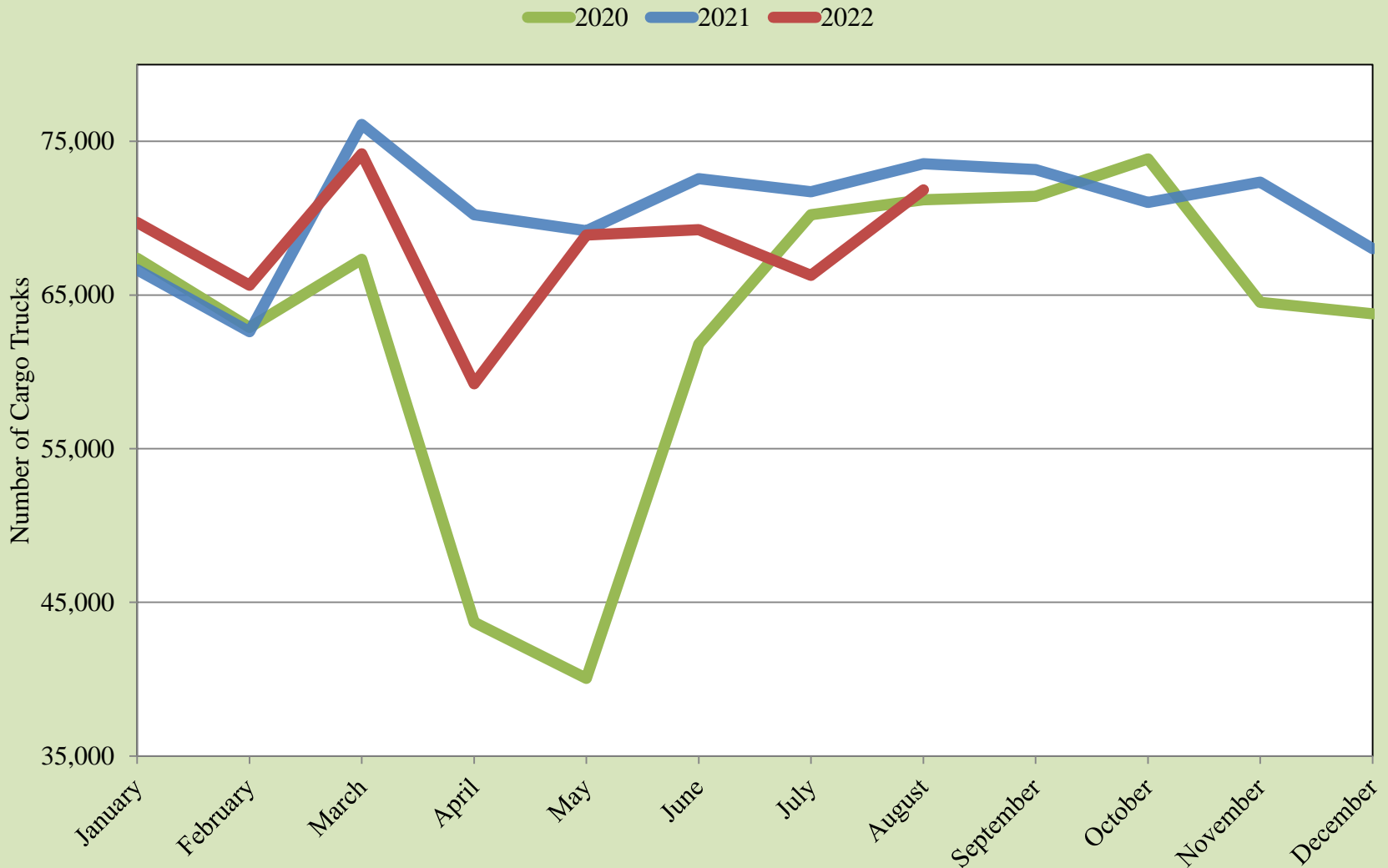
Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

Pedestrian International Bridge Crossings to El Paso



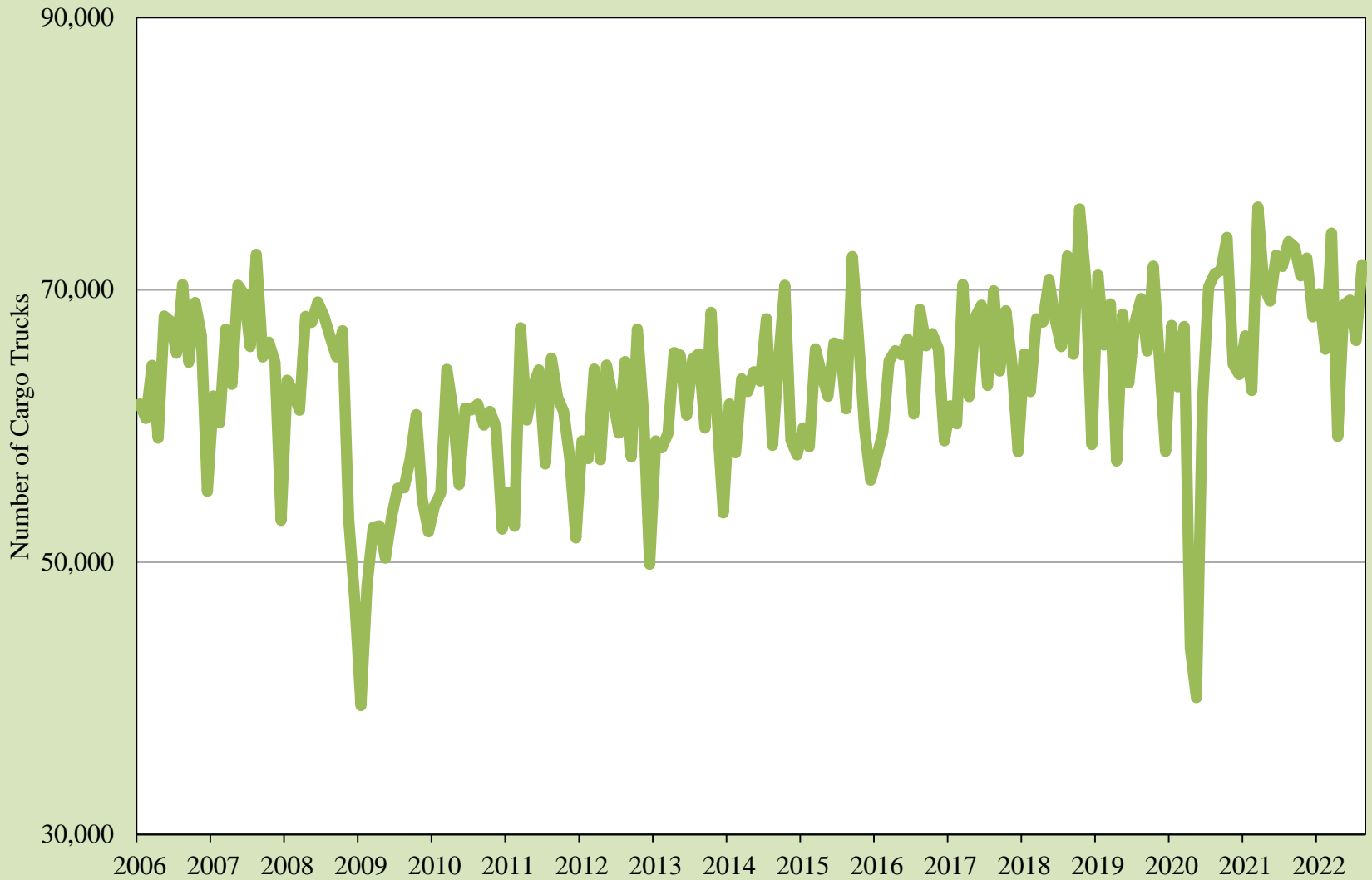
Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

Cargo Truck International Bridge Crossings to El Paso



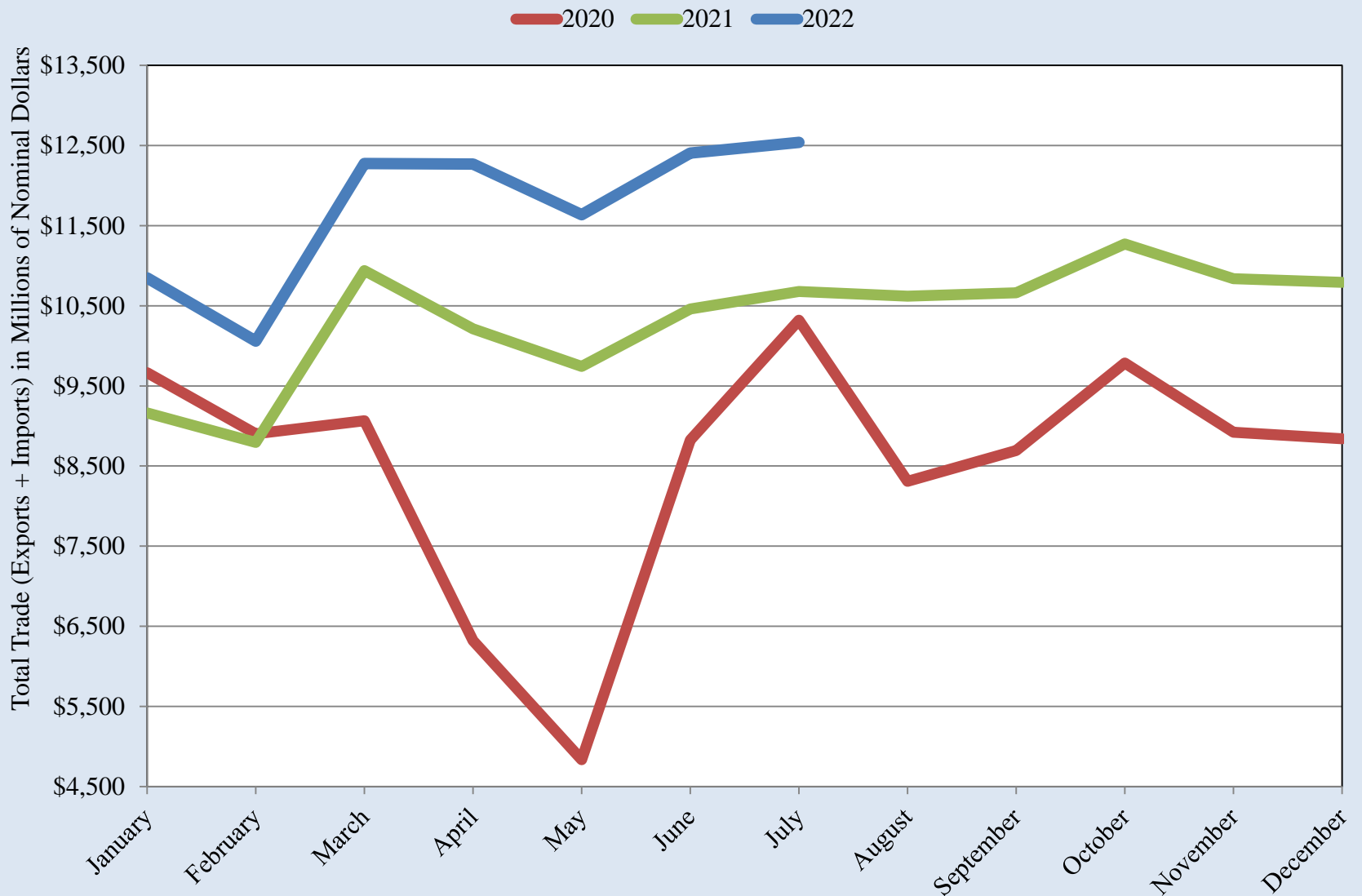
Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

Cargo Truck International Bridge Crossings to El Paso



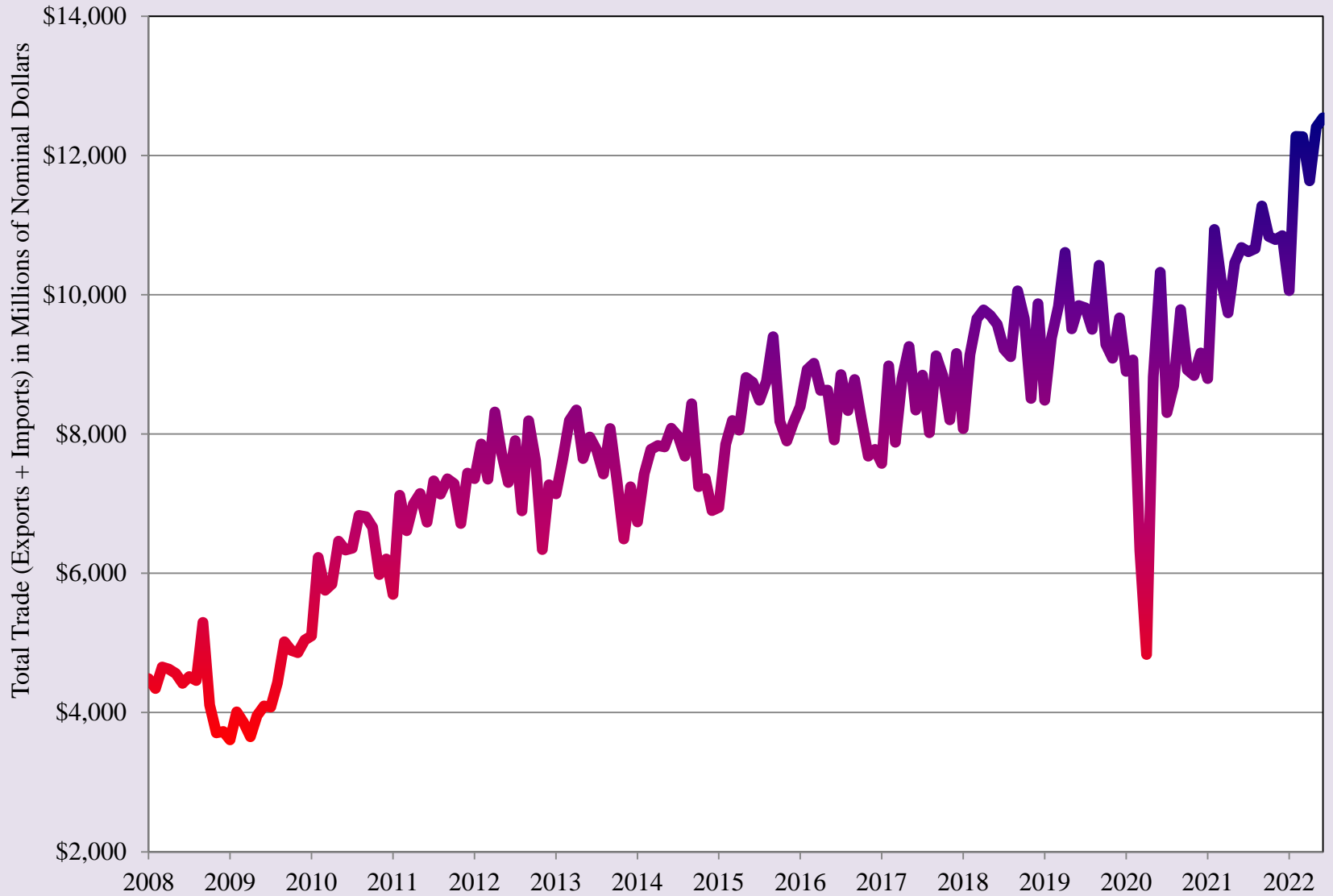
Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

Total Trade through the El Paso Customs District



Source: U.S. International Trade Commission

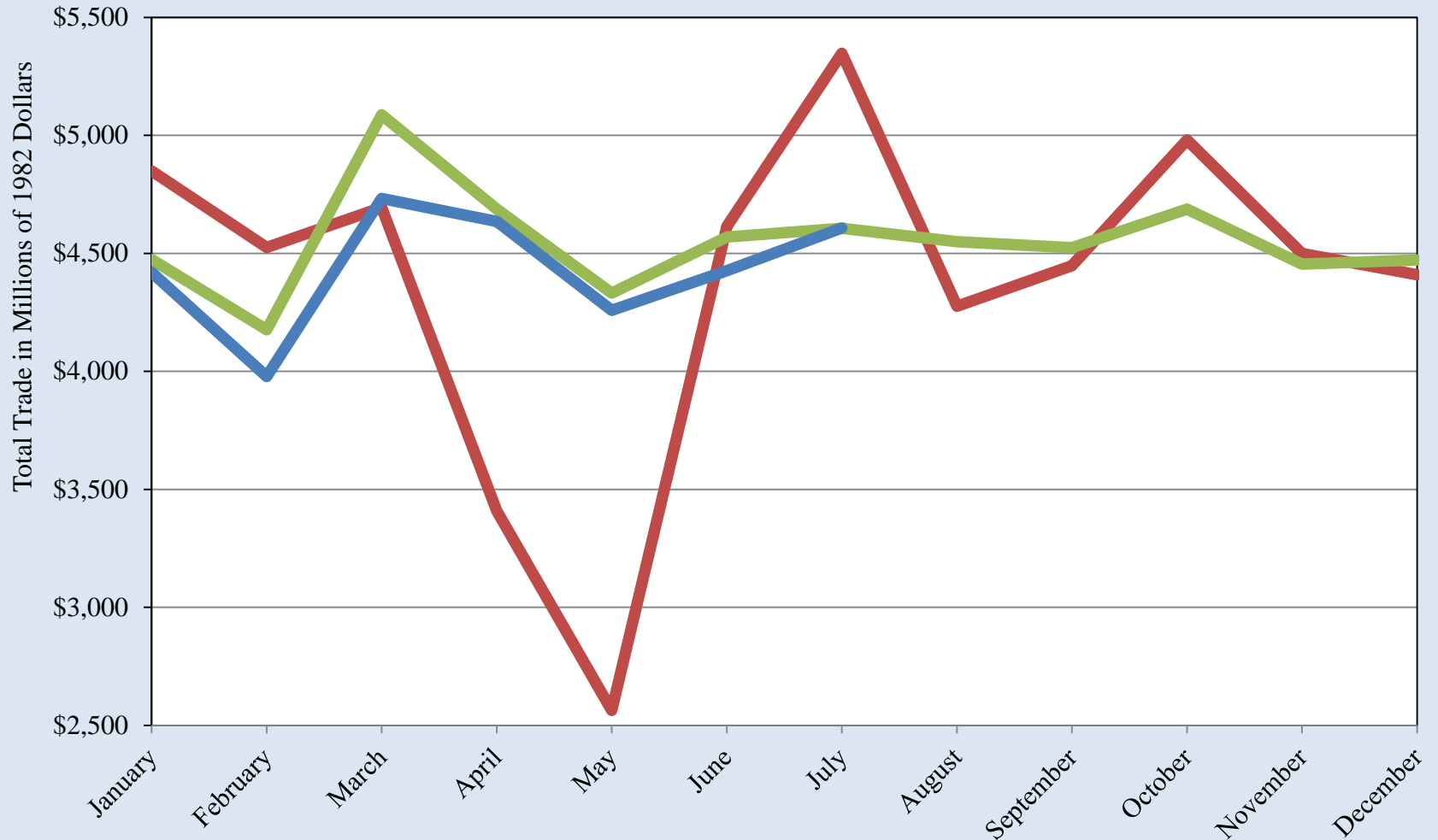
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Source: U.S. International Trade Commission

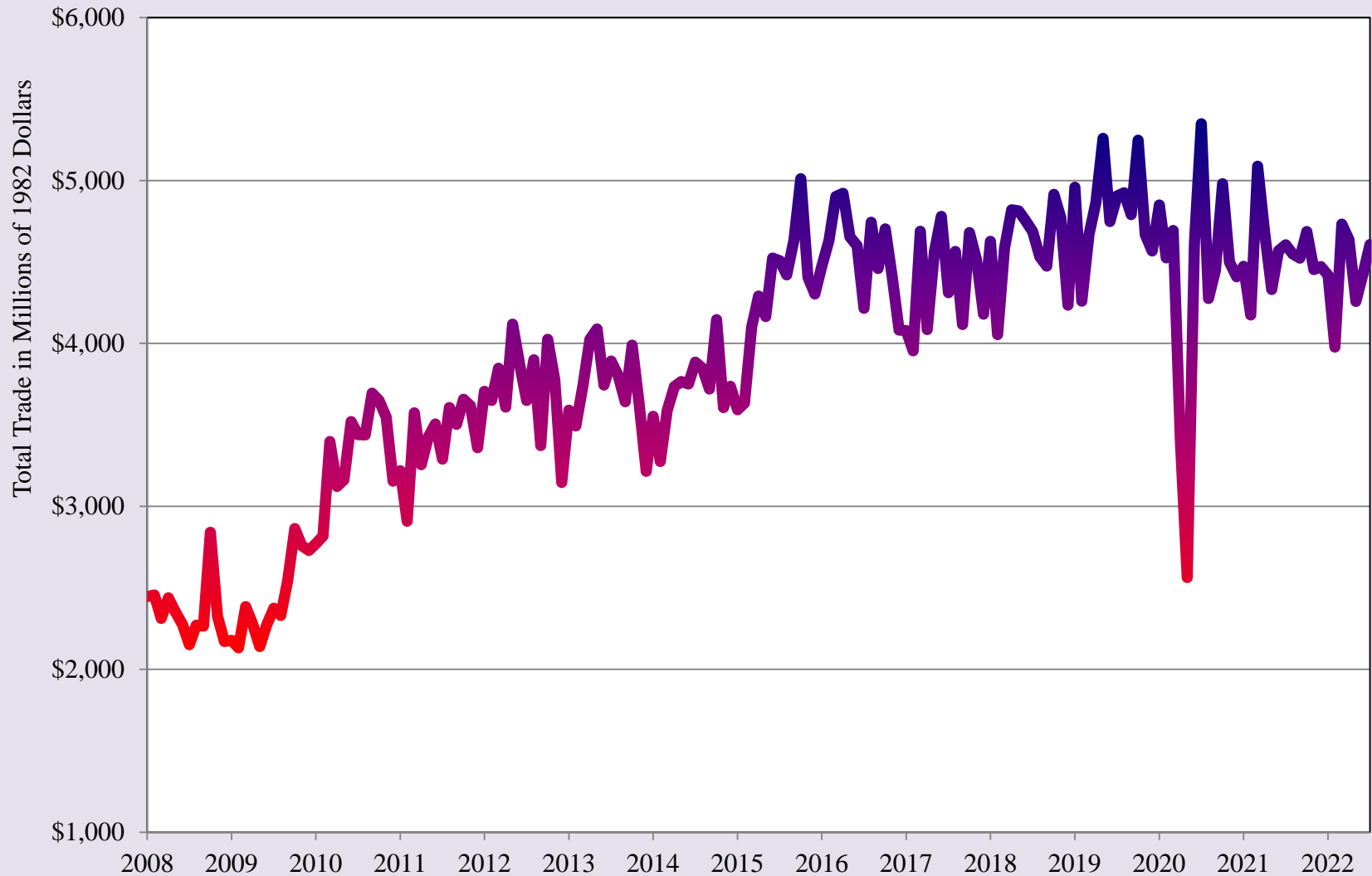
Real Total Trade through the El Paso Customs District

— 2020 — 2021 — 2022



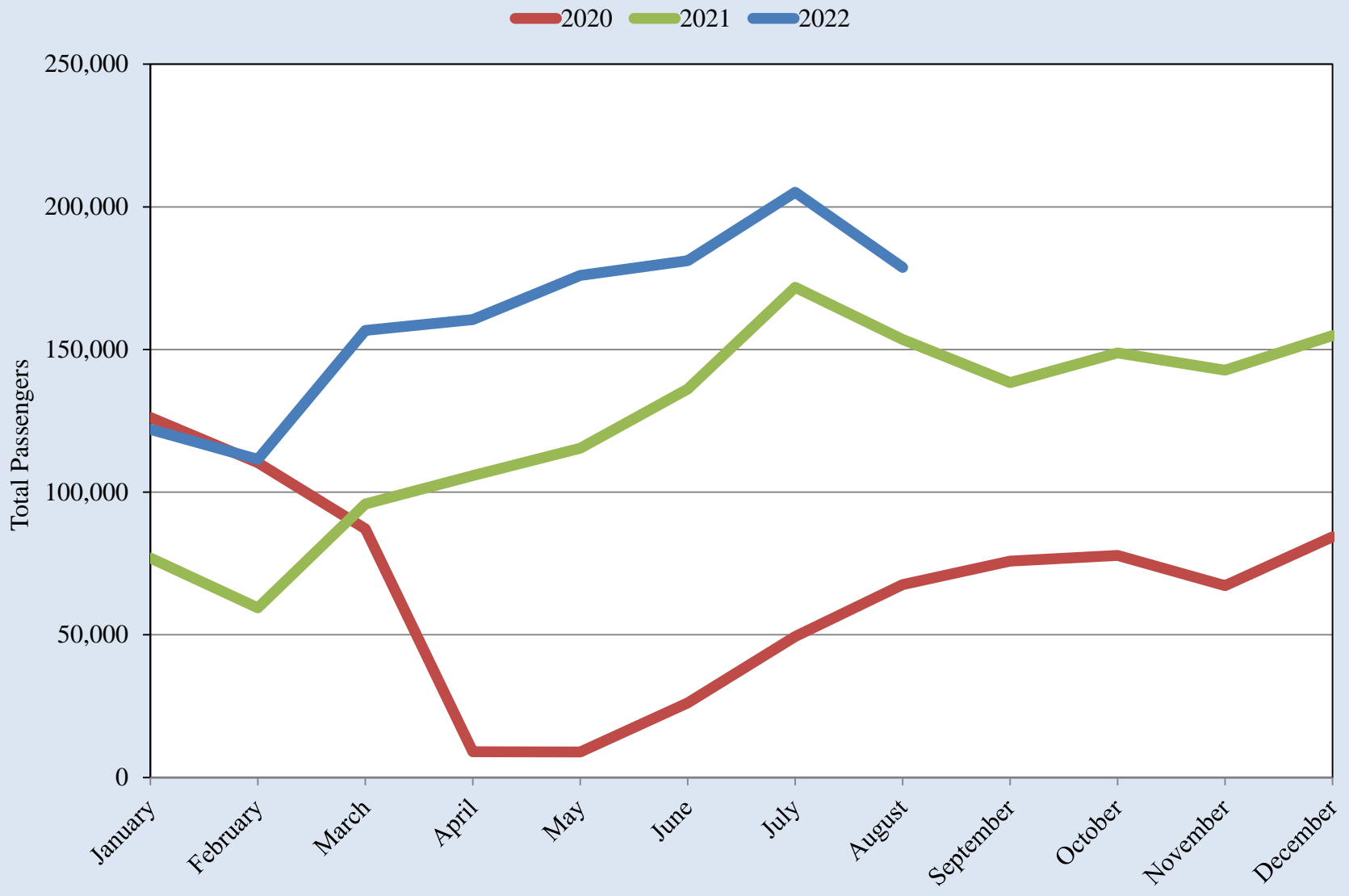
Source: U.S. International Trade Commission and Bureau of Labor Statistics

Real Total Trade through the El Paso Customs District



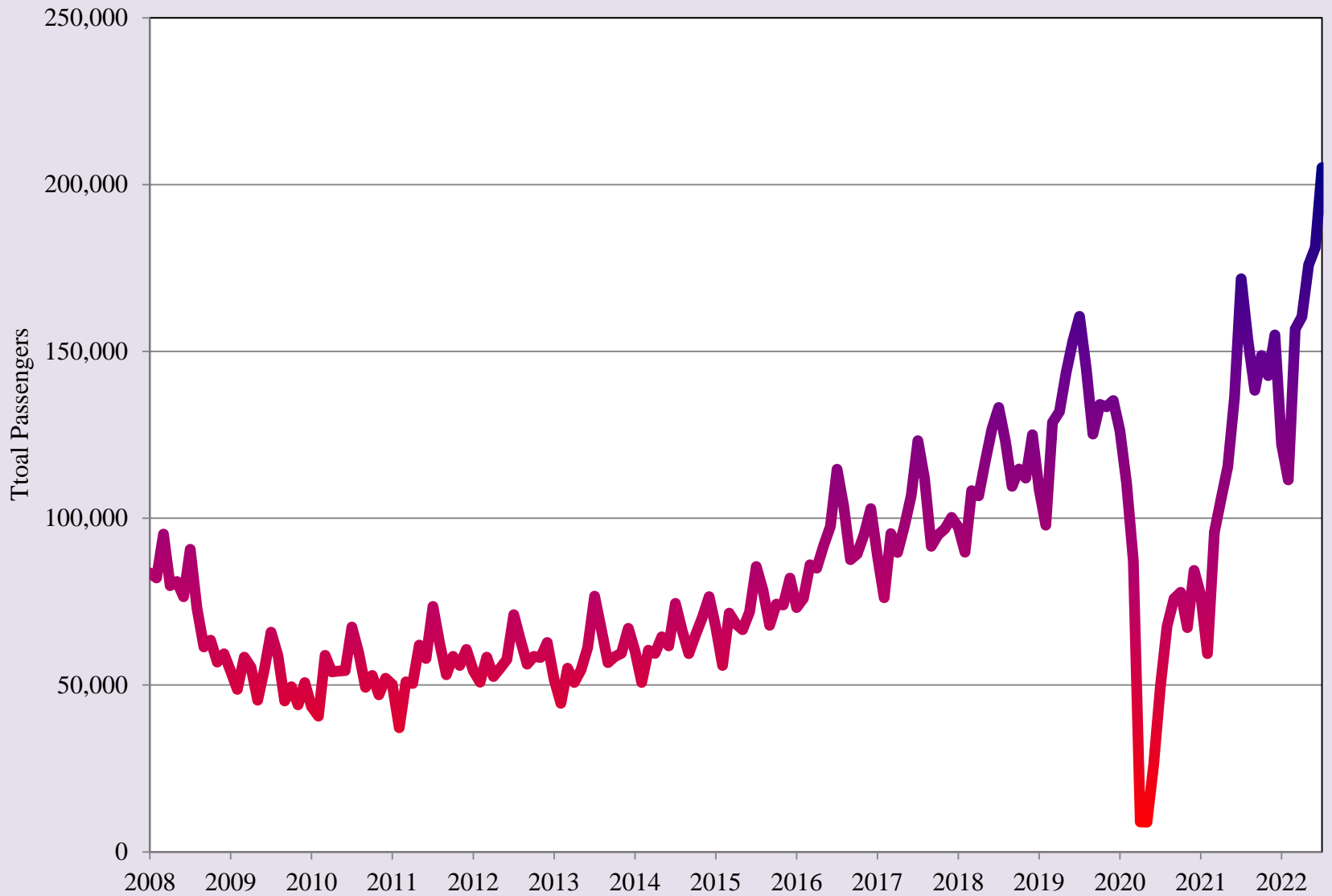
Source: U.S. International Trade Commission and Bureau of Labor Statistics

Domestic Passengers Ciudad Juarez International Airport



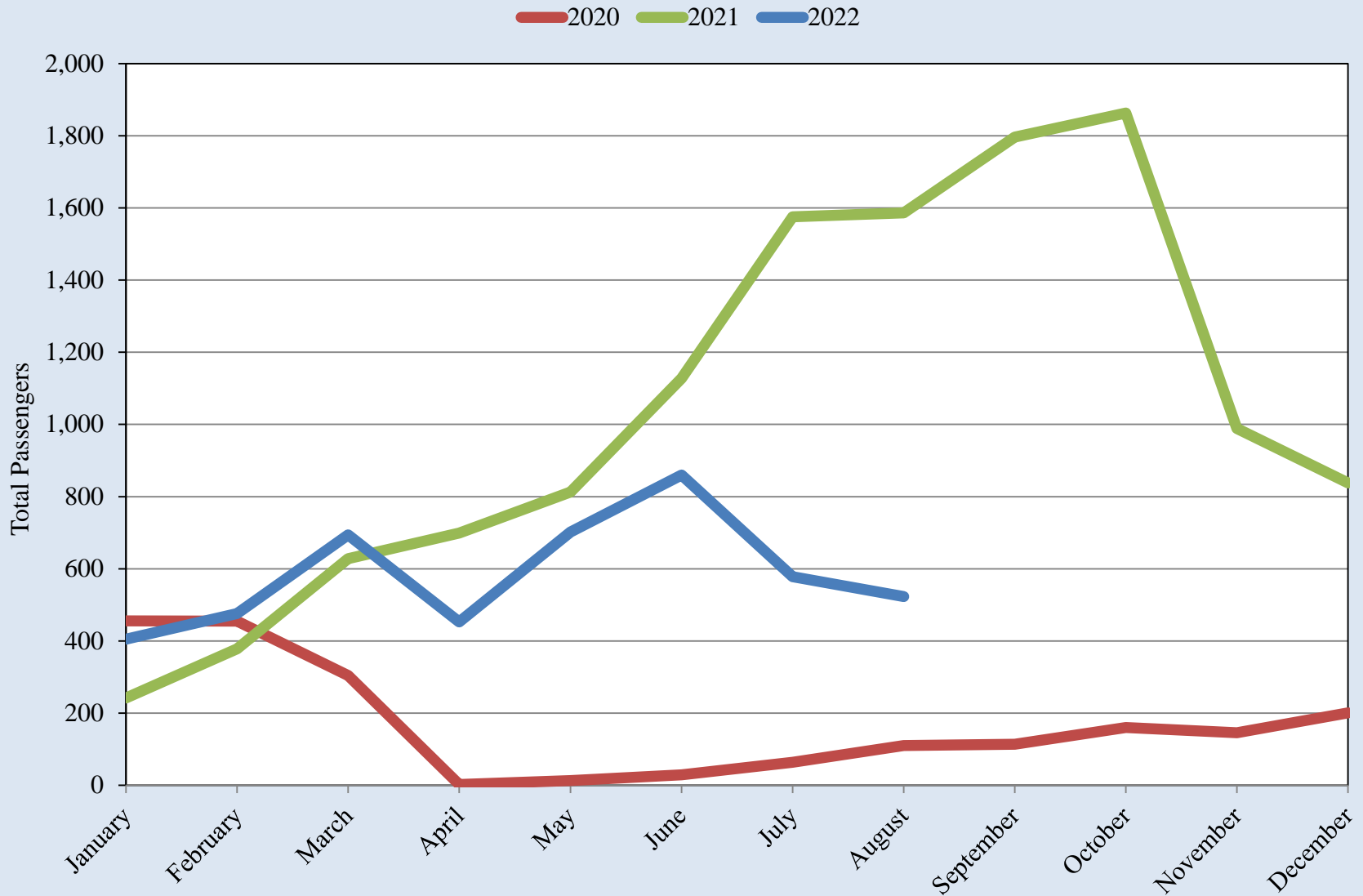
Source: Grupo Aeroportuario Centro Norte - OMA

Domestic Passengers Ciudad Juarez International Airport



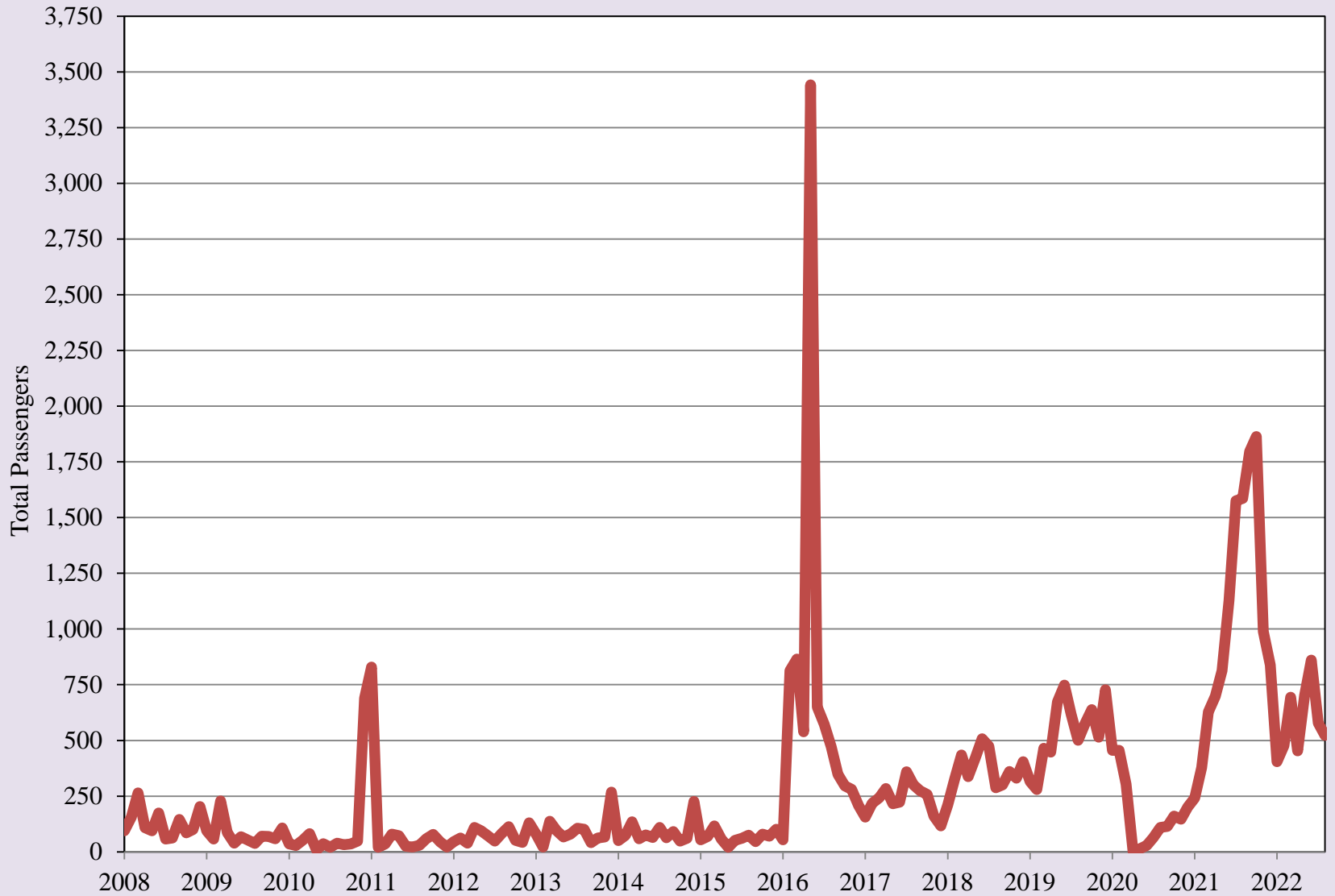
Source: Grupo Aeroportuario Centro Norte - OMA

International Passengers Ciudad Juarez International Airport



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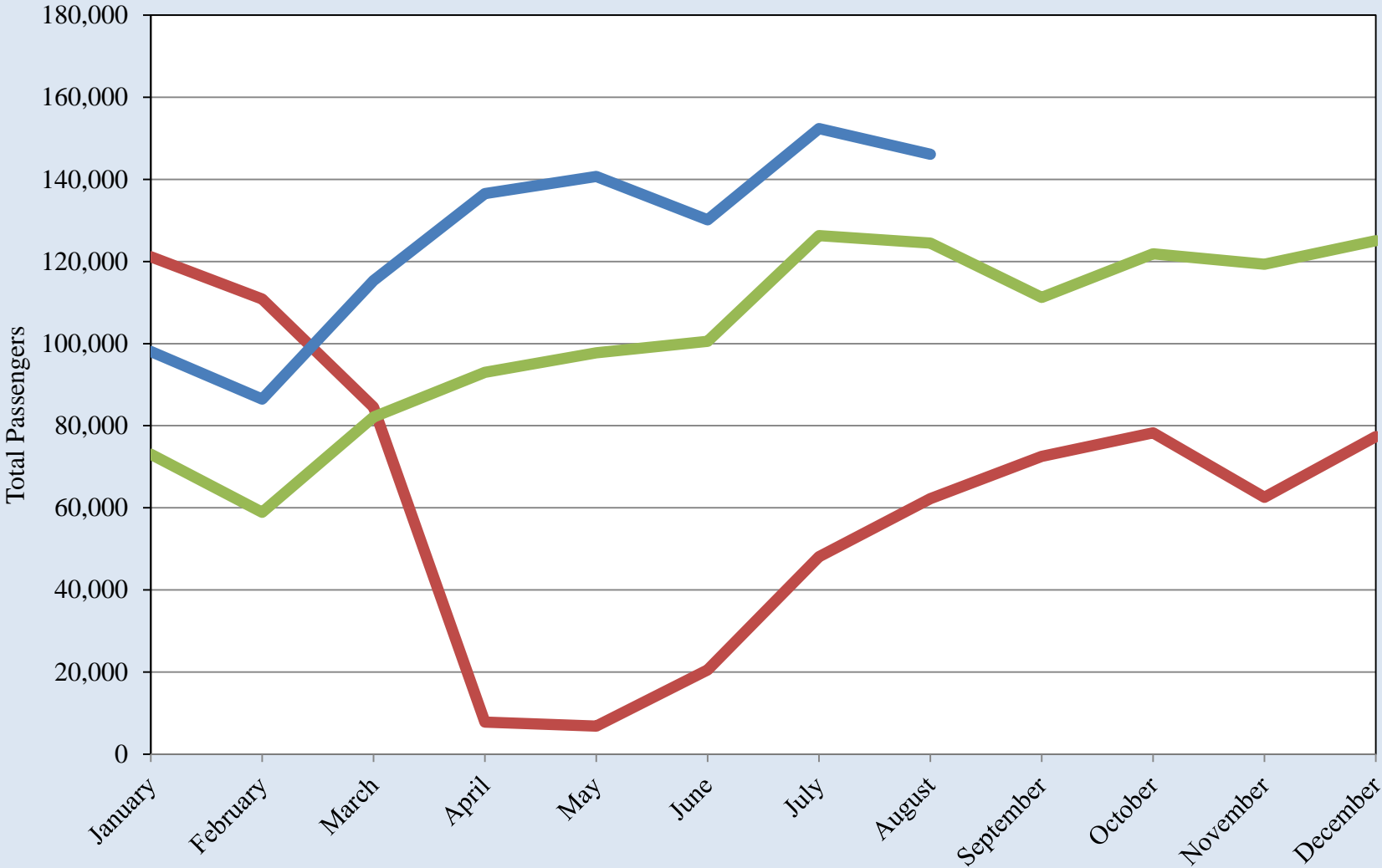
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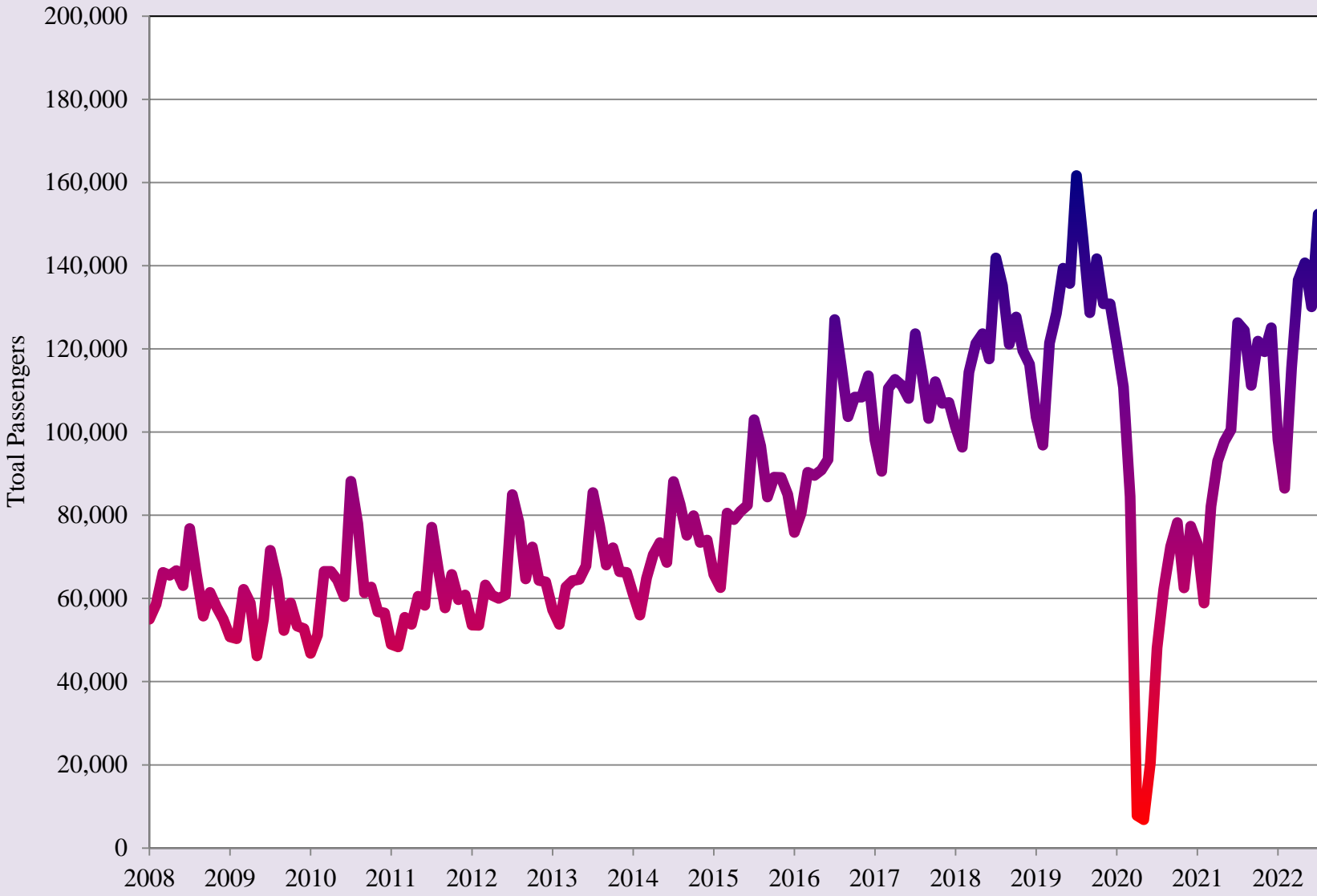
Domestic Passengers Chihuahua City International Airport

2020 2021 2022



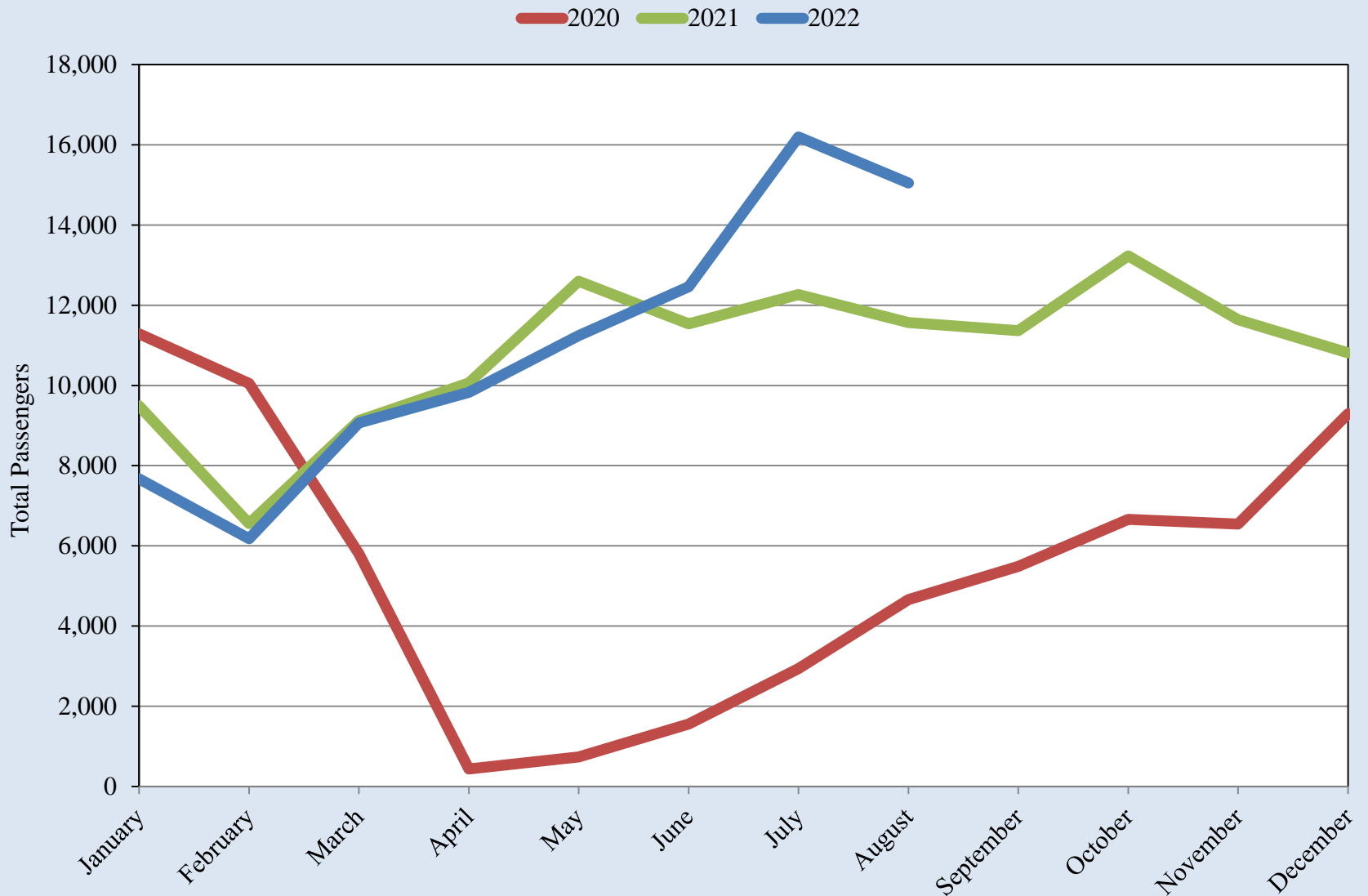
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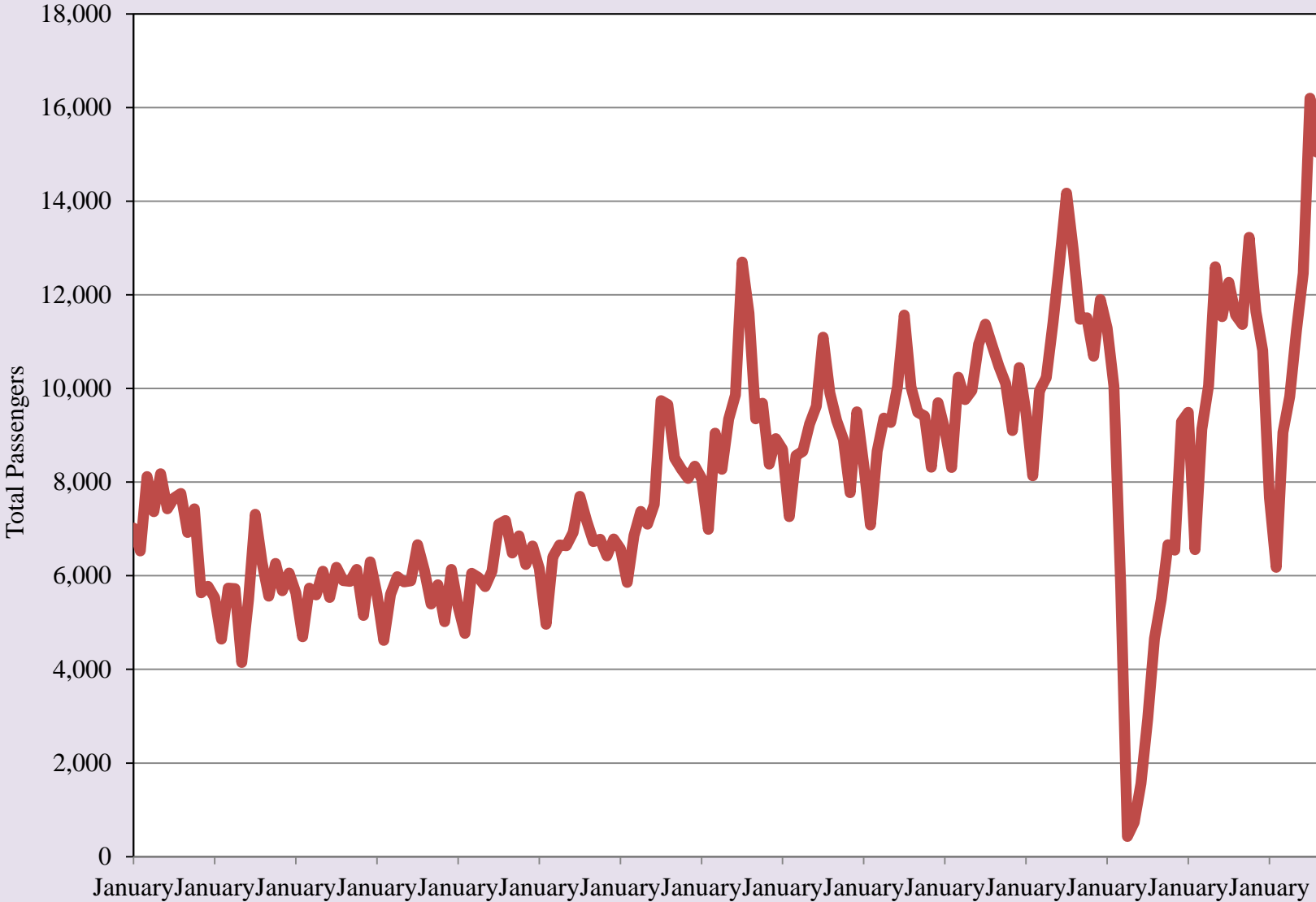
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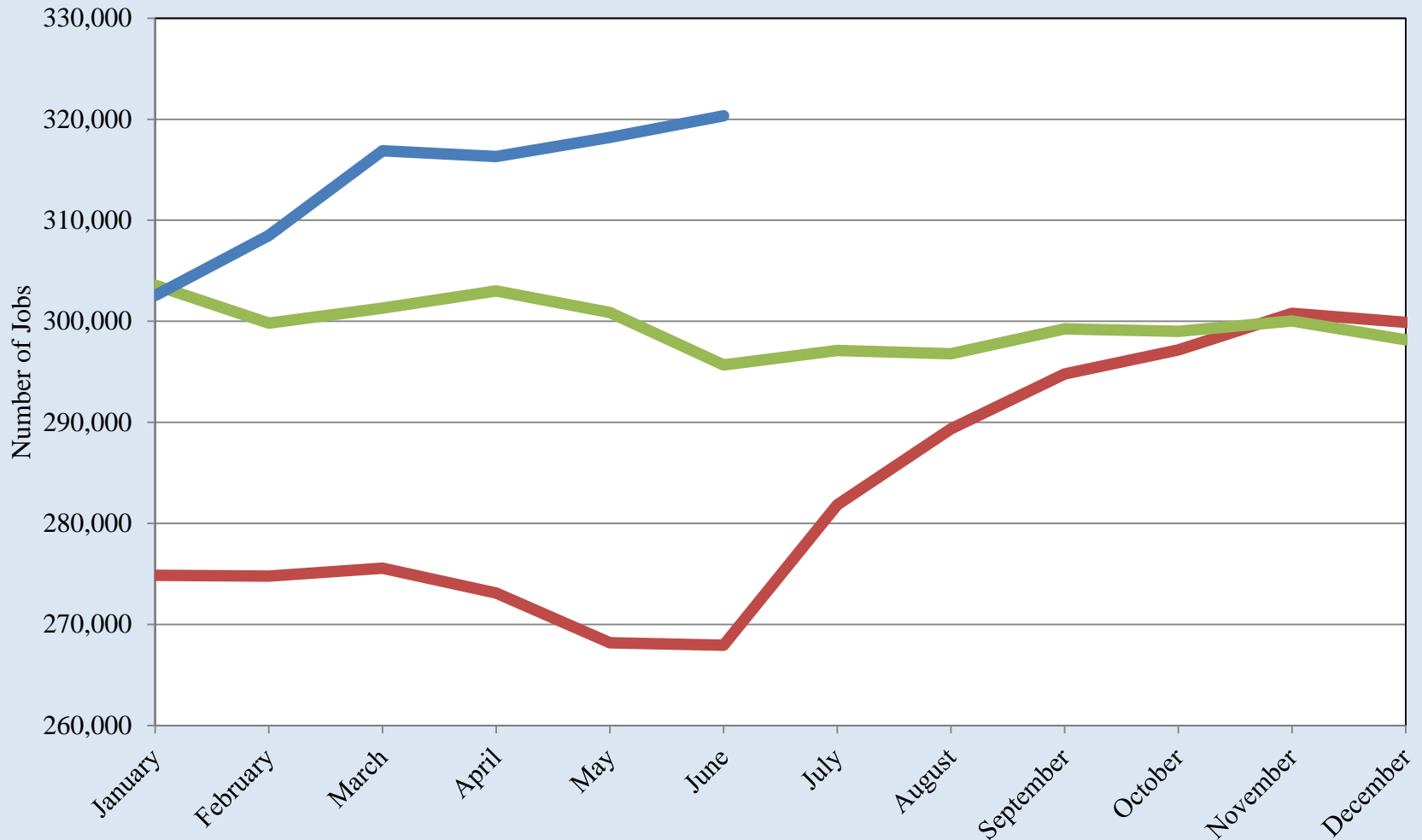
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Source: Grupo Aeroportuario Centro Norte - OMA

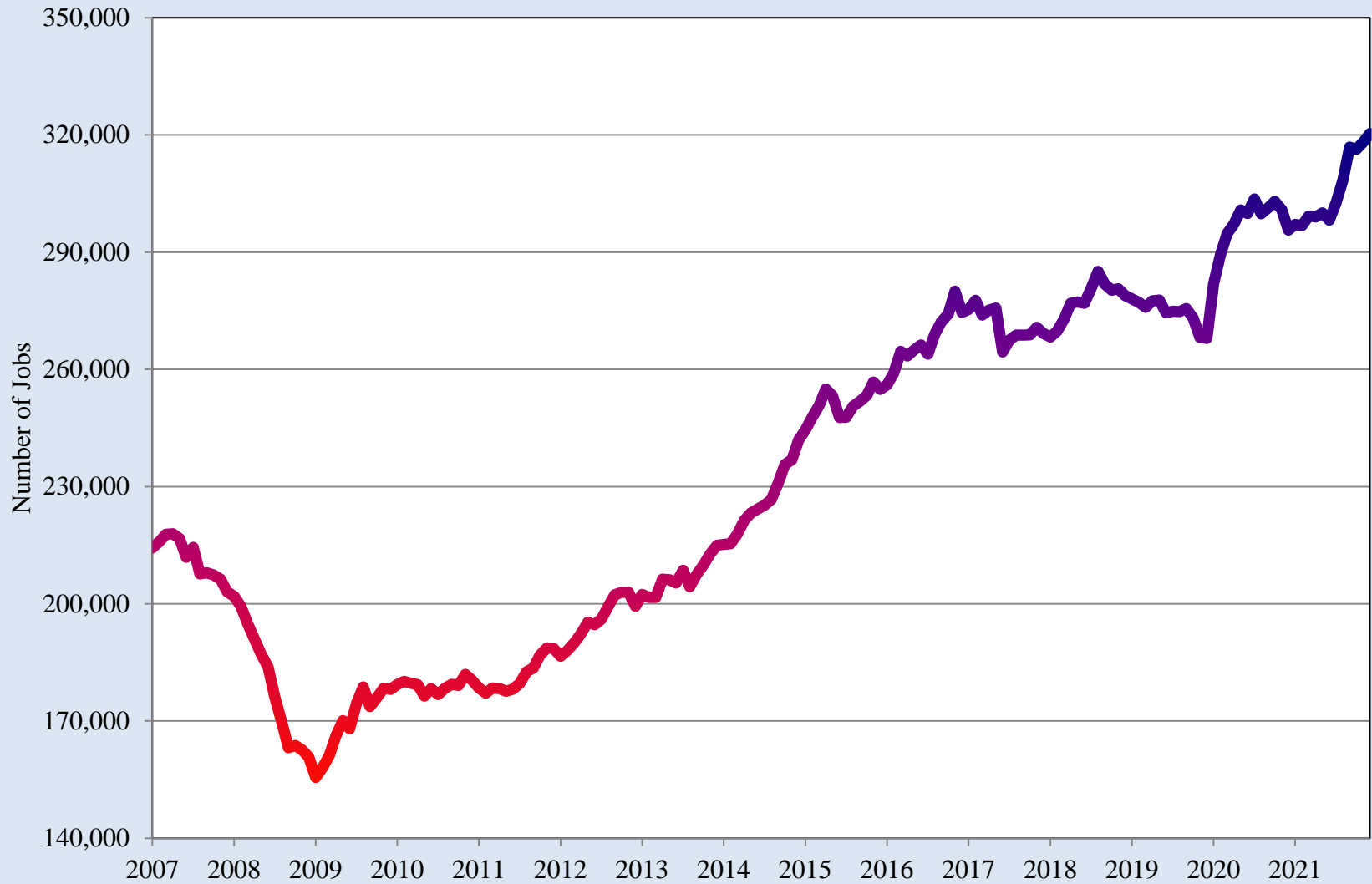
Export-Oriented Manufacturing Employment in Ciudad Juárez

2020 2021 2022



Source: INEGI

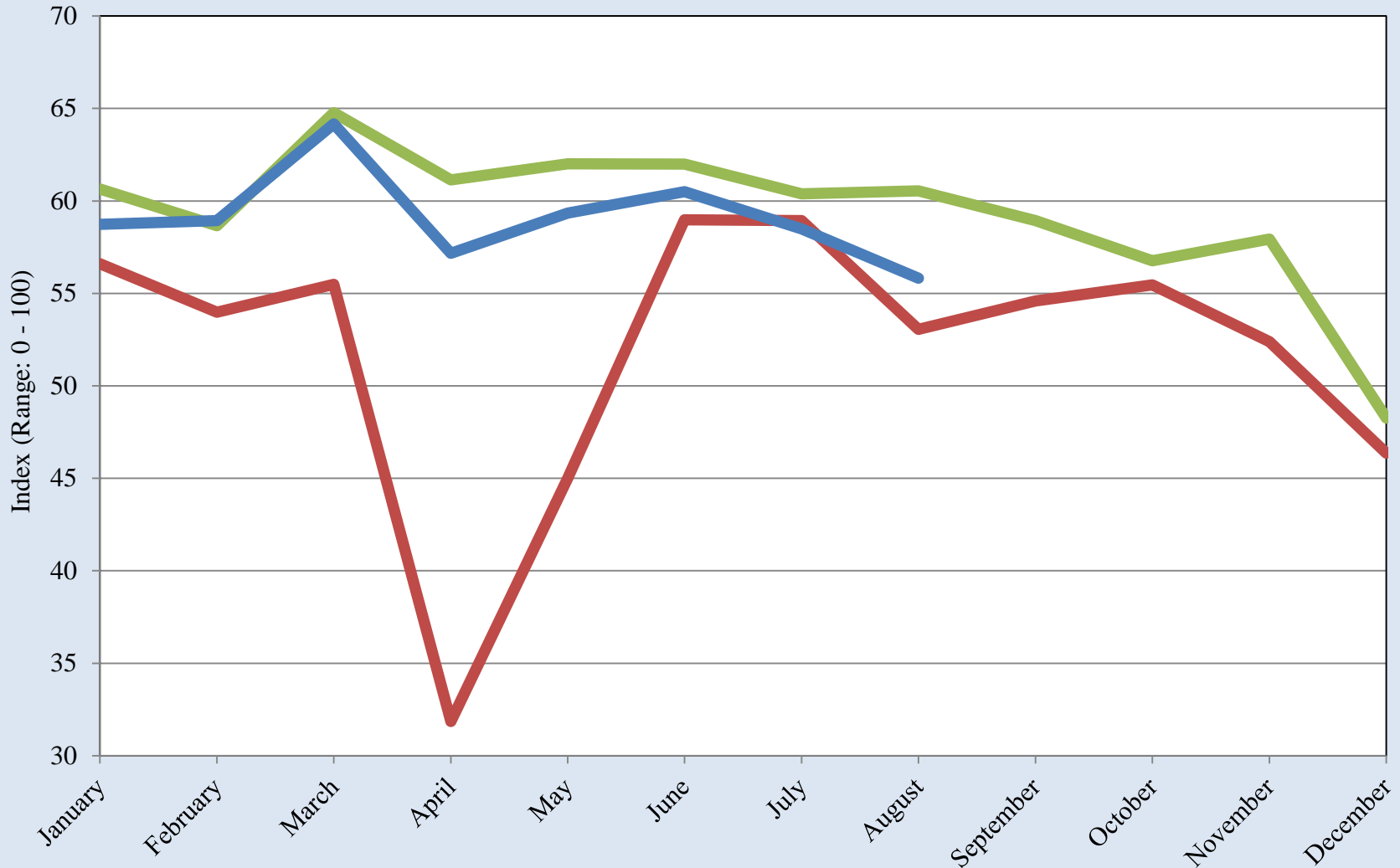
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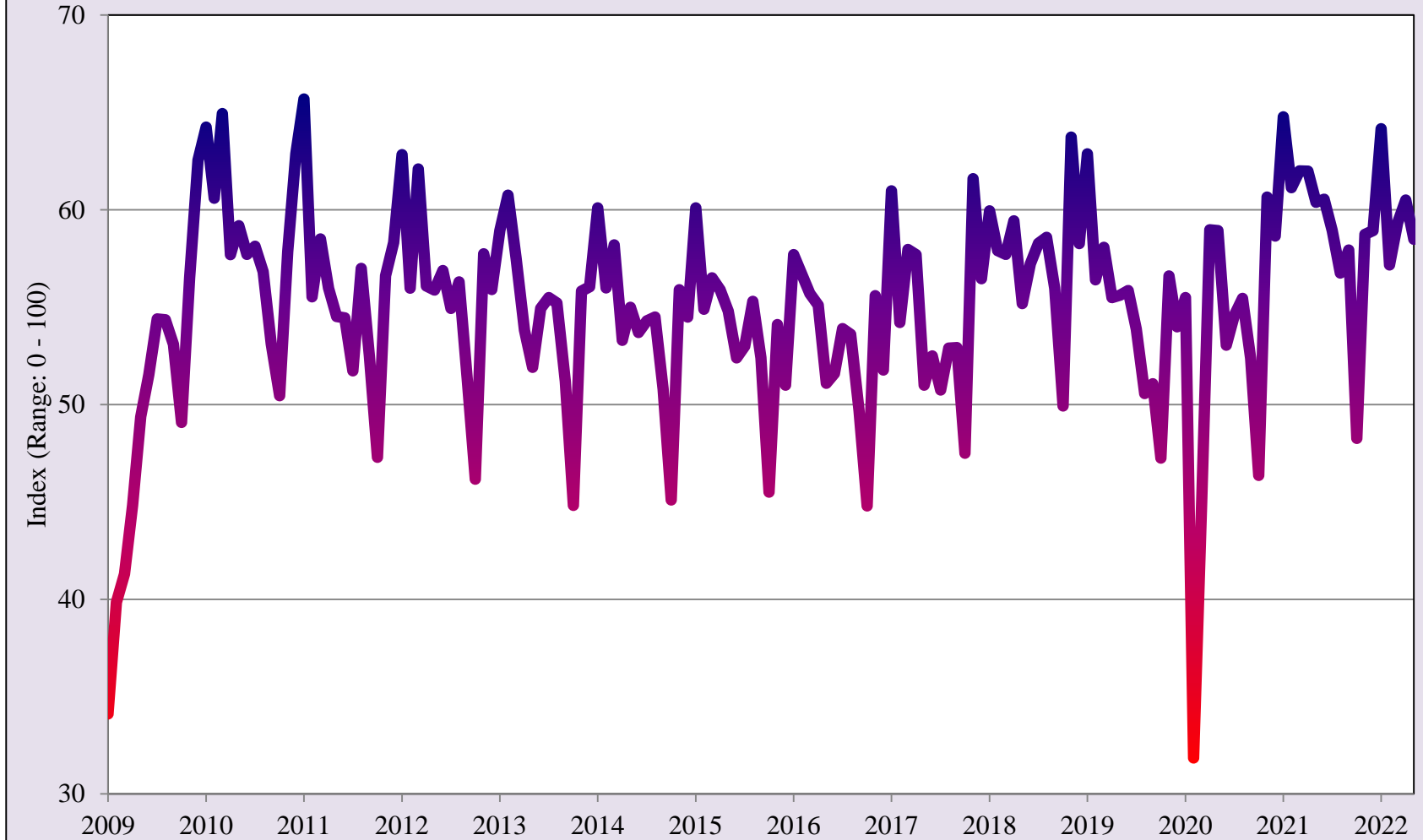
Northern Mexico Manufacturing Orders Index

— 2020 — 2021 — 2022



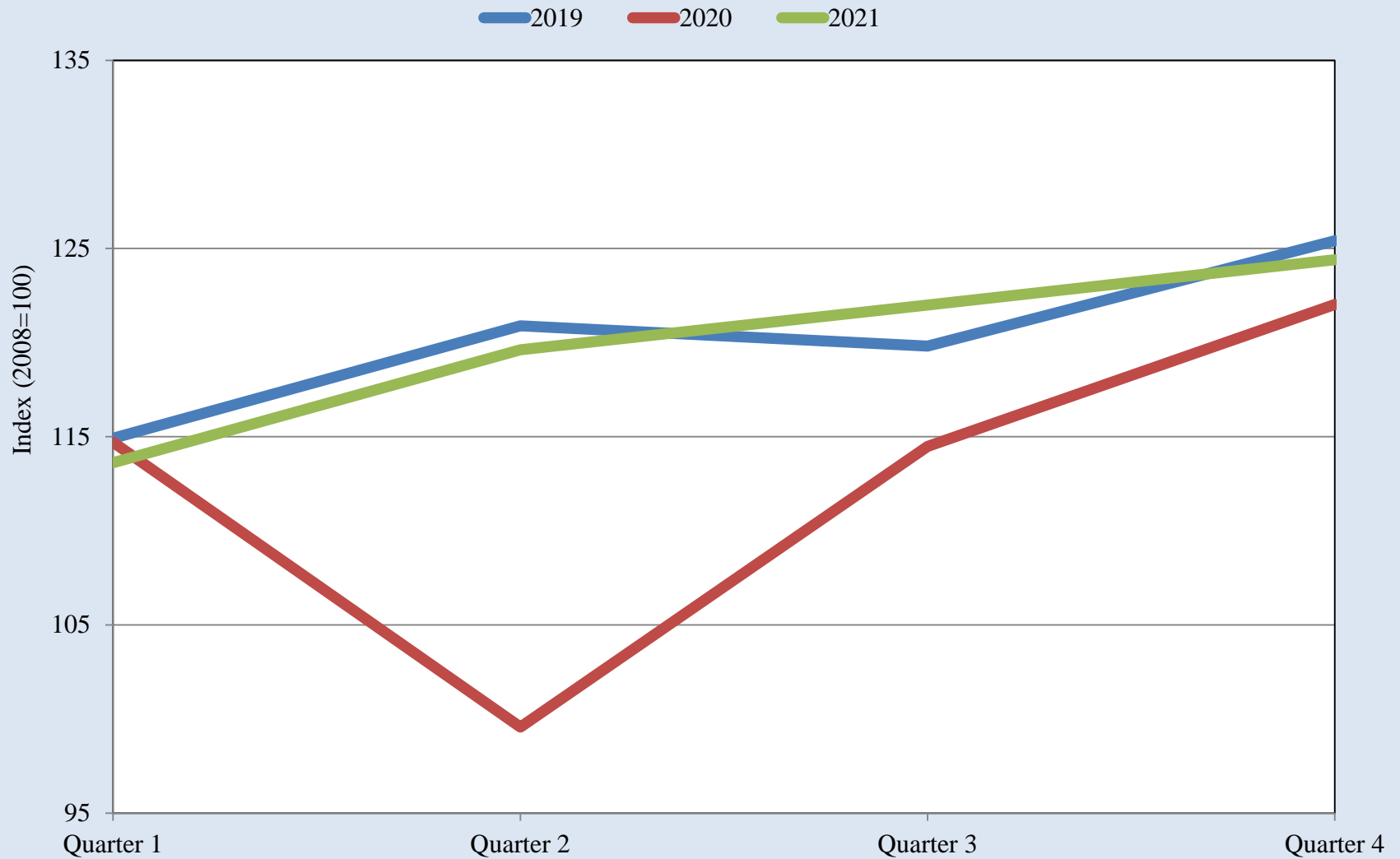
Source: Banco de México

Northern Mexico Manufacturing Orders Index



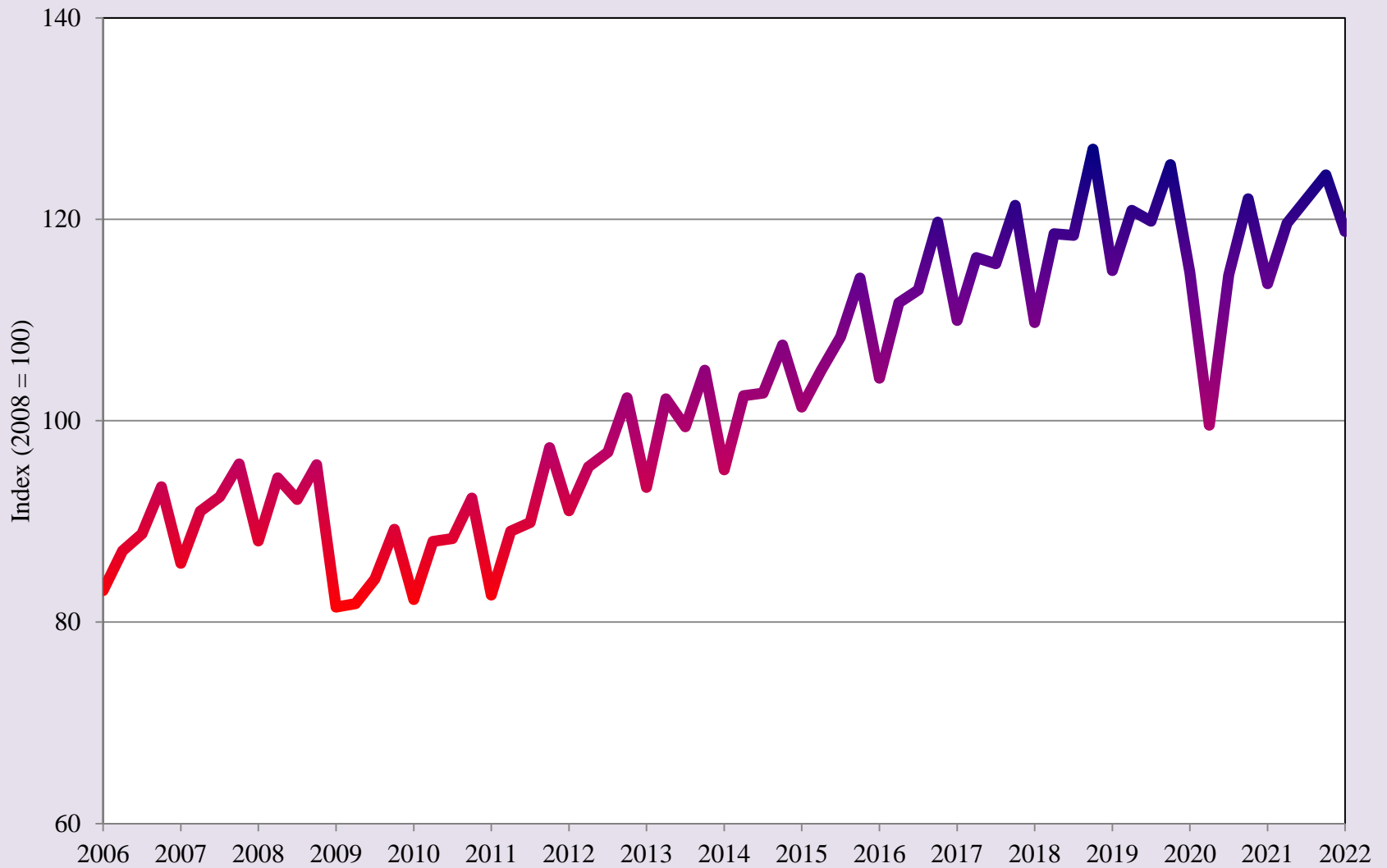
Source: Banco de México

Quarterly Indicator of Economic Activity for the State of Chihuahua



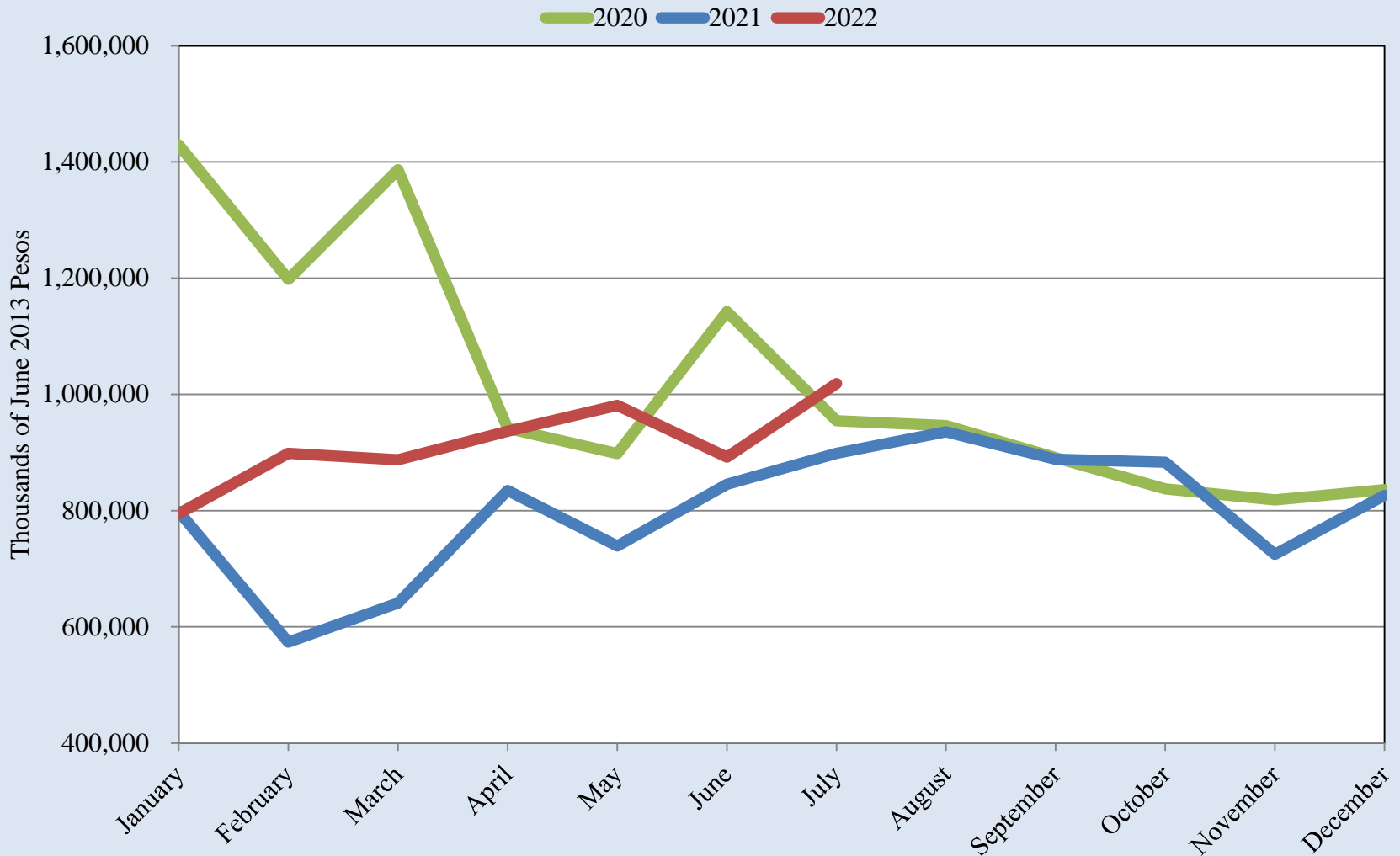
Source: INEGI

Quarterly Indicator of Economic Activity for the State of Chihuahua



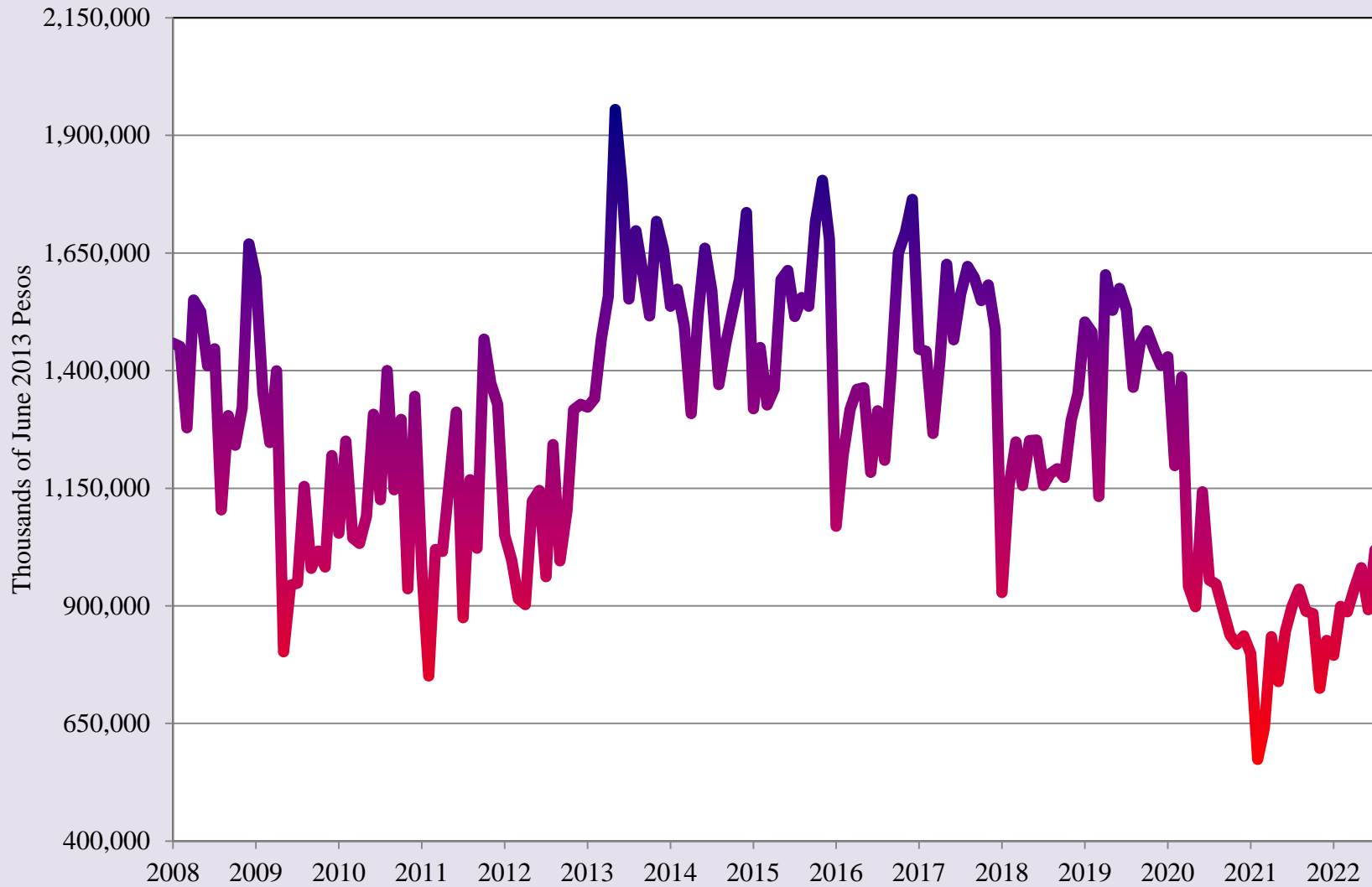
Source: INEGI

Total Value of Construction in the State of Chihuahua



Source: INEGI

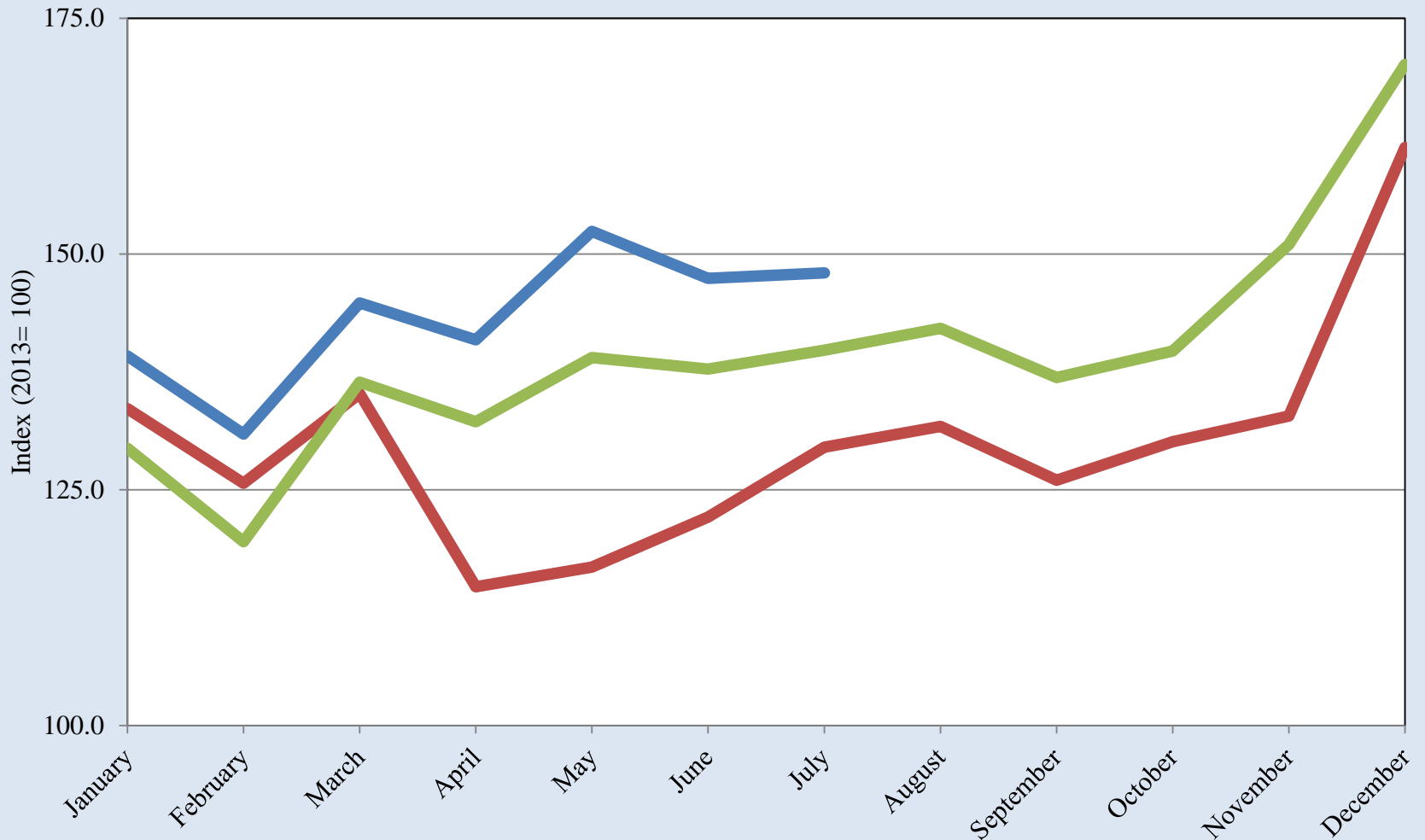
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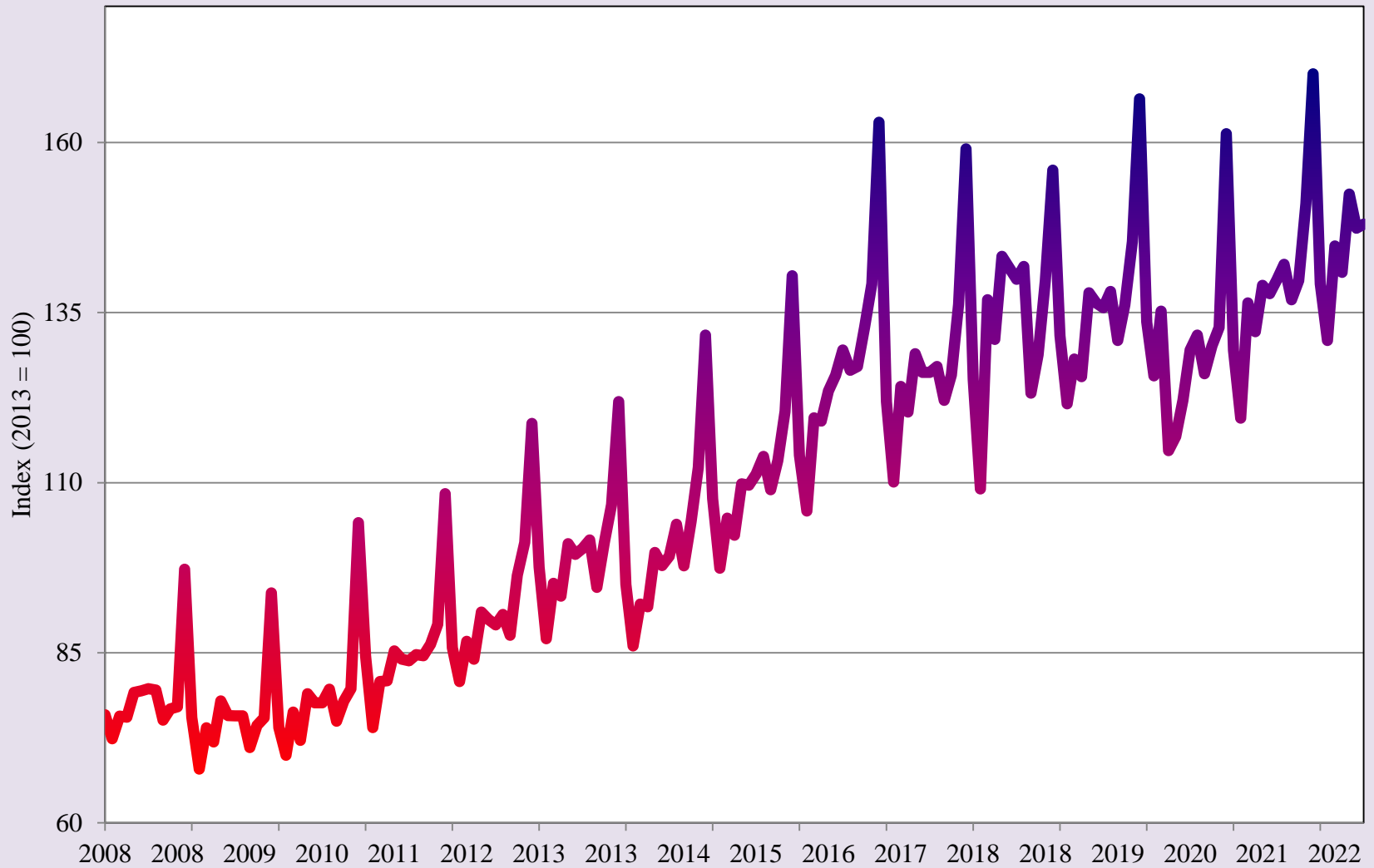
Real Retail Activity Index for the State of Chihuahua

— 2020 — 2021 — 2022



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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