

# Outlook for the Texas Economy



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## About this Report

Texas Real Estate Research Center economists continuously monitor many facets of the global, national, and Texas economies. *Outlook for the Texas Economy* summarizes significant state economic activity and trends. All measurements are calculated using seasonally adjusted data, and percentage changes are calculated month over month, unless stated otherwise.

This publication is designed to be a one-stop resource for economic indicators. We hope you find them as useful as we do. Your feedback is always appreciated. Send comments and suggestions to [info@recenter.tamu.edu](mailto:info@recenter.tamu.edu).

Dr. Luis Torres, Wesley Miller, Paige Silva, and Jacob Straus

Data current as of Feb. 22, 2021

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# January 2021 Economic Report

4Q2020 TX FORECLOSURE RATE  
▼ 0.4%

WTI OIL PRICE PER BARREL  
▲ \$50

NONFARM EMPLOYMENT  
▲ 30,800 jobs

REAL COMMODITY EXPORTS  
▲ 5.2% MOM

## Summary<sup>1</sup>

Texas' economy stayed on the path to recovery, but momentum slowed to start the year. On top of data revisions revealing steeper job losses in 2020 than initially estimated, employment growth decelerated in January as COVID-19 cases and initial jobless claims spiked after the holidays. Hiring continued in the service-providing, construction, and retail sectors, but manufacturing payrolls contracted. The state's housing market remained healthy with robust demand, upward-trending construction levels, and low foreclosure rates despite high delinquency amid federal protection policies. Additionally, energy prices and export values rose, suggesting better trade conditions. Although extreme winter weather in February put a damper on overall activity, the shock should be temporary. Improvement should resume in March with the third fiscal stimulus package approved and ongoing vaccine distribution. While Governor Greg Abbott rolled back business restrictions and the mask mandate, effective March 10, containment of the pandemic is vital as additional waves of infection can reverse increased mobility and spending, affecting the state's return to pre-pandemic conditions.

Economic activity within Texas rose 10.5 percent in January on a seasonally adjusted annualized rate (SAAR) as indicated by the **Dallas Fed's Texas Business-Cycle Index**. The rate of growth, however, decelerated to its slowest pace since July 2020. Similarly, the Austin and Dallas indexes increased 8.2 and 7.9 percent SAAR, respectively, compared with double-digit growth at year-end. Payroll contractions in Fort Worth resulted in a slowdown in the local economy's expansion to just 3.2 percent. Modest hiring in Houston and San Antonio, on top of sluggish real wage growth in the latter, limited the indexes to 1.7 and 2.5 percent improvement, respectively.

The **Texas Leading Economic Index** (a measure of *future* directional changes in the business cycle) flattened following eight consecutive monthly gains as decreased well permits and average weekly hours worked in manufacturing offset increased oil prices, solid national economic data, and favorable currency fluctuations. Meanwhile, the **Texas Consumer Confidence Index** hovered at its lowest level of the pandemic as the number of daily new COVID-19 cases remained elevated around year-end levels. Vaccine rollouts, however, should boost sentiment in the coming months.

During widespread local and federal foreclosure and eviction moratoria, foreclosure inventories fell below 0.4 percent in Texas compared with 0.6 percent nationwide in fourth quarter 2020. The Federal Housing Finance Agency recently extended the foreclosure and REO eviction moratoria for

<sup>1</sup> All measurements are calculated using seasonally adjusted data, and percentage changes are calculated month-over-month, unless stated otherwise.

properties owned by Fannie Mae and Freddie Mac (the Enterprises) until June 30, 2021. Eligible borrowers were granted an additional three-month extension of forbearance for a total of up to 18 months of forbearance. The nationwide eviction moratorium for qualifying renters through the Centers for Disease Control is currently set to expire on March 31, 2021.

In contrast to foreclosure data, the Mortgage Bankers Association's delinquency rate for Texas continued to increase in 4Q2020 for mortgages more than 90 days past due (seriously delinquent) to 5.6 percent, or about 14,700 loans. The number of seriously delinquent loans is equal to a quarter of the state's supply of active listings during January in a market with only 1.7 months of inventory. On the other hand, delinquent loans less than 90 days past due declined since the bracket does not include mortgages in forbearance. The counting of forbearances as late payments conflicts with the Coronavirus Aid, Relief, and Economic Security Act that mandated services report pandemic-related forbearances as being current to the nation's credit bureaus. The law, however, did not preclude servicers from notifying credit bureaus that a loan is in forbearance, and it did not cover how industry statistics would be reported.

Vaccine rollouts and optimism regarding a third fiscal stimulus package resulted in higher growth and inflation expectations for 2021. The **ten-year U.S. Treasury bond yield** rose to 1.1 percent<sup>2</sup> in January, its highest reading since February 2020. The **Federal Home Loan Mortgage Corporation's 30-year fixed-rate** ticked up for the first time in a year to 2.7 percent, although the metric still hovered around its historically low rate recorded at year-end (series starting in 1971). Anticipated increases in mortgage rates this year may soften housing demand. Mortgage rates slid to decades-low levels within Texas during January, sinking to 2.66 percent for non-GSE loans, while the median interest rate for GSE loans was 2.80 percent. Home-purchase applications boomed more than 20 percent in 2020, but activity softened to start the new year. Refinance applications also stabilized after doubling the previous year. The pace is expected to decelerate as lenders add more requisites and the pool of households able to refinance shrinks. (For more information, see *Finding a Representative Interest Rate for the Typical Texas Mortgagee* at <https://www.recenter.tamu.edu/articles/research-article/Finding-Representative-Interest-Rate-2278>.)

Total Texas housing sales kicked off the year with a 3 percent improvement after slumping the previous two months. The Texas **Residential Construction Cycle (Coincident) Index**, which measures *current* construction levels, ticked up as construction values, employment, and wages improved. The **Residential Construction Leading Index** continued on an upward trajectory due to overall elevated building permits and housing starts despite a monthly contraction in January, pointing toward higher construction activity in the coming months. Similarly, the metropolitan leading indexes indicated future activity to be favorable. Only in Houston did the metric flatten. (For additional housing commentary and statistics, see [Texas Housing Insight](#) at [recenter.tamu.edu](http://recenter.tamu.edu).)

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<sup>2</sup> Bond and mortgage interest rates are nonseasonally adjusted. Loan-to-value ratios, debt-to-income ratios, and the credit score component are also nonseasonally adjusted preliminary data.

The average **West Texas Intermediate (WTI) crude oil spot price** approached \$50 per barrel as OPEC and its allies continued to curb production as demand expectations were unchanged, although still positive compared with 2020, due to rising COVID-19 cases offsetting optimism regarding vaccine rollouts. Steady price levels pulled Texas' **active rig count** to 162 in January after crude oil production fell for the fifth straight month to 4.5 million barrels per day at year-end<sup>3</sup>. Crude oil output is predicted to stabilize before picking up in the second half of the year and continuing to increase through 2022. On the natural gas front, the **Henry Hub spot price** rose to its highest reading in a year and a half at \$2.60 per million British thermal units (BTUs) as liquefied natural gas exports remained strong and natural gas inventories contracted. Prices are still anticipated to rise in February during colder-than-average winter temperatures and the demand shock from Winter Storm Uri. In the Permian Basin, the Waha hub price was nearly four times greater than last January due to decreased West Texas oil-associated production in 2020 and the recent startup of the Kinder Morgan's Permian Highway Pipeline providing more takeaway capacity. Last spring, limited pipeline and the gloomy economic outlook contributed to negative Permian prices and natural gas flaring.

Texas **nonfarm employment** rose for the ninth consecutive month in January, but the growth rate decelerated, resulting in 30,800 positions added. After revisions to 2020 data revealed a steeper drop in employment than initially reported, an additional 574,000 jobs need to be regained to return to pre-pandemic levels. The Dallas Fed believes a full recovery to be possible in 2021, with their annual employment forecast estimating a 6.5 percent payroll increase to 13.1 million workers. Texas' **unemployment rate** ticked down to 6.8 percent but remained greater than the national average of 6.3 percent. The state's **labor force participation rate**, however, decreased to 62.6 percent. The local labor force in Houston also contracted, but at a sharper rate and for the second straight month, which may account for some of the metro's decline in joblessness to 8.1 percent despite extremely modest hiring. Unemployment within the state's other major regions flattened. Dallas and Fort Worth posted 6.6 and 6.8 percent unemployment, respectively, while San Antonio's metric hovered at 6.7 percent. Austin maintained the lowest jobless rate of 5.4 percent.

The number of Texans filing **initial unemployment insurance claims** increased for the second consecutive month to 206,100 after claims shot up the first half of January when COVID-19 cases surged during the holiday season (Figures 1 and 2). On the bright side, Texas' average weekly **continued unemployment insurance claims** extended a five-month downtrend, dropping to 328,300. While reliability of the data is still a concern, especially around the holidays, total claims were three-and-a-half times greater than pre-pandemic levels in February 2020 compared with three times greater at year-end, indicating the labor-market recovery may be losing steam.

Texas' average **real private hourly earnings** rose 1.6 percent year over year (YOY) but fell short of the national growth rate of 3.8 percent. Dallas continued to lead the state in nominal wages, paying an average of \$31.49 per hour. North Texas posted the greatest inflation-adjusted improvement with real hourly earnings climbing 6.1 and 7.4 percent in Dallas and Fort Worth (\$29.37),

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<sup>3</sup> The release of crude oil production typically lags the *Outlook for the Texas Economy* by one month.

respectively. Houston wages (\$28.64) increased 2.6 percent after accounting for inflation, but the metric in Central Texas inched down 1.1 percent YOY in Austin (\$29.99) and flattened in San Antonio (\$25.24).

Data revisions for 2020 employment were recently released. The table summarizes the changes for Texas and the major MSAs, all of which revealed even steeper losses than previously published. These amended numbers are considered in the Texas Real Estate Research Center’s analysis.

### Data Revisions to 2020 Texas and Major MSA Employment

	Preliminary		Revised	
	Change in Jobs	Percentage Change	Change in Jobs	Percentage Change
Texas	-430,800	-3.3	-560,600	-4.3
Austin-Round Rock	-11,100	-1.0	-32,800	-2.9
Dallas-Plano-Irving	-49,900	-1.8	-80,300	-2.9
Fort Worth-Arlington	-30,100	-2.7	-37,500	-3.4
Houston-The Woodlands-Sugar Land	-138,000	-4.3	-209,200	-6.6
San Antonio-New Braunfels	-37,300	-3.4	-41,900	-3.8

Note: Both the number of jobs added and percentage change calculations are computed from December 2019 and December 2020 employment.

Source: Bureau of Labor Statistics

Austin was the only major Metropolitan Statistical Area (MSA) to accelerate hiring on a monthly basis, adding 7,300 positions in January. Professional/business and education/health services together recovered more than 5,000 workers, offsetting losses in manufacturing and government. In Dallas, professional/business services, manufacturing, and retail trade were the top contributors to the 11,200-job increase. On the other hand, Houston and San Antonio payrolls expanded by a mere 3,900 and 100 employees, respectively. In the former, manufacturing capped overall gains; in the latter, it was government layoffs. Only in Fort Worth did the government sector expand; total employment, however, decreased by 1,700 positions, mostly due to declines in transportation/utilities and manufacturing.

Texas’ goods-producing sector regained 3,100 workers as energy-related hiring added 2,800 positions. Manufacturing employment, however, shed 2,700 jobs, flattening at October 2020 levels. The nondurable-goods sector lost 1,200 employees, and the durable-goods headcount declined for the third straight month. On the bright side, the **Texas Manufactured Housing Survey** indicated the industry’s hiring managers expanded payrolls as production and sales ramped up in January. Despite supply-chain disruptions cutting into profit margins, the overall outlook was optimistic amid strengthening demand. **Average hourly manufacturing earnings** moderated to 5.9 percent growth after accounting for inflation. Improvement in Fort Worth and San Antonio was strong, but Houston and Dallas real wages contracted compared with year-ago earnings. The **Dallas Fed’s Manufacturing Outlook Survey** corroborated earnings data while the employment index remained in positive growth territory but decelerated. Nearly as many respondents reported decreased



production as increased and, although most other business indicators continued to improve, growth rates slowed. A notable exception was the prices paid for raw materials, of which more than half of the executives surveyed observed increases. Comments revealed serious supply-chain disruptions and uncertainty regarding possible changes to the government policy with the new presidential administration, resulting in elevated outlook uncertainty. Nonetheless, perceptions of future activity rose due to progress made on the pandemic front.

Construction jobs increased by 3,000, but industry employment was still down 6.4 percent YOY. The jobs added were unlikely higher-paying positions, as **average real hourly construction earnings** fell 4.2 percent. Inflation-adjusted **total construction values** sank 2.9 percent on a monthly basis but ticked up moderately compared with year-ago levels. Both nonresidential and residential values declined, with the latter normalizing from record activity in October 2020. Activity in Austin and Houston's multifamily sector picked up but was unable to offset the drop in single-family construction in all the major MSAs except San Antonio. The metro was also the sole exception to the decrease in nonresidential values due to warehouse and office-building projects breaking ground. Hotel construction in DFW accelerated but reductions in school-building activity pulled overall nonresidential values down.

The service-providing industry added 27,700 employees but still needs to recover an additional 410,400 positions to return to pre-pandemic levels. Administrative/waste management/remediation services was the top contributor January hiring, expanding payrolls by 13,300 workers, followed by real estate/rental leasing with 8,600 gains. On the other hand, professional/scientific/technical services employment contracted for the first time since April, and transportation/warehousing/utilities marked its second straight monthly decline. Leisure/hospitality recouped just 2,900 jobs across the state with San Antonio the only major MSA to continue hiring. The **Dallas Fed's Service Sector Outlook Survey** confirmed slower employment growth as revenue flattened. Although nearly two-thirds of respondents reported general business activity was unchanged from the previous month, slightly more executives indicated activity worsened rather than improved. Expectations of future conditions, however, were stable.

Texas retailers recovered 3,400 jobs as general merchandise and health/personal care stores hiring offset layoffs in building material/garden equipment/supplies dealers and electronic/appliance stores. Inflation-adjusted retail sales<sup>4</sup> ticked up in December on a monthly basis but remained 4.7 percent down YOY. According to the **Dallas Fed's Retail Outlook Survey**, activity failed to improve in January with the sales index tipping into negative growth territory. Less than a tenth of business executives expanded payrolls while company outlook declined. On the bright side, indicators of future business activity remained optimistic as the second federal stimulus package was approved.

Although the **U.S. Consumer Price Index (CPI)** rose at its fastest pace since the onset of the pandemic, its 1.4 percent YOY increase still remained below the Federal Reserve's 2 percent target. Core inflation decelerated, matching the overall rate as food/beverage and housing price growth softened. There have been worries that inflation may run rampant in 2021 as the economy

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<sup>4</sup> The release of Texas retail sales typically lags the *Outlook for the Texas Economy* by one month.

recovers, but Federal Reserve Chair Jerome Powell and Treasury Secretary Janet Yellen maintain that while inflation will rise temporarily during the economic recovery, significant long-term risk is unlikely. In DFW, the metric accelerated 1.5 percent YOY amid escalating food/beverage costs and less downward pressure from recovering transportation prices.

After the **Texas trade-weighted value of the dollar**<sup>5</sup> fell for the fifth consecutive month in December to year-ago levels, making domestic goods less expensive to the foreign buyer, Texas' **real commodity exports** increased 5.2 percent in January. **Manufacturing exports** improved 3.7 percent in real terms with chemical and machinery shipments rebounding above pre-pandemic activity. On the other hand, **crude oil exports** declined 6.6 percent after adjusting for inflation as purchases from China, the Netherlands, and India decreased.

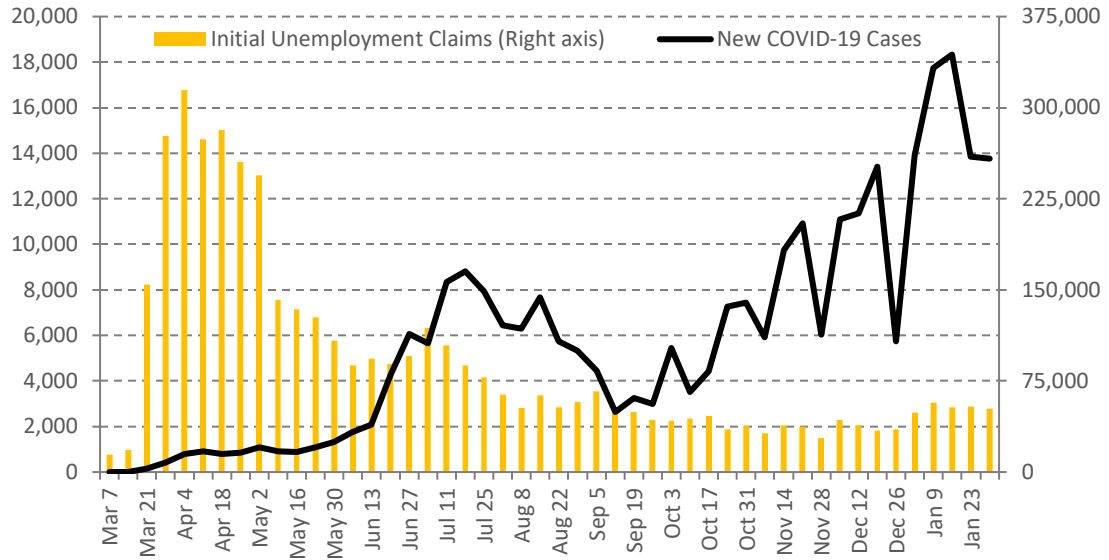
Amid reduced crude oil shipments to China, the country's share of Texas exports ticked down to 7.8 percent but still remained higher than during the 2019 U.S.-China trade dispute. Canada also received 7.8 percent of Texas exports, while Mexico remained the state's top trading partner, although its share inched down below one-third. In contrast, Japan, South Korea, and Taiwan claimed more of Texas' outgoing shipments.

The Center created a Texas weekly leading index to predict turning points in the Texas economy. (For more information, see *COVID-19 Impact Projections on Texas Economy* at <https://www.recenter.tamu.edu/articles/special-report/COVID-19-Impact-Projections>.) After sluggish growth the previous two months, the index picked up momentum during the first two weeks of February before the winter storm arrived (Figure 3). The impact, however, is expected to be temporary. Initial unemployment claims declined except for the last week of the month while new business applications fluctuated. The real rate for the ten-year Treasury bill increased (but continued to exhibit a negative return in real terms), offsetting an upward trend in the real price of WTI oil. Although Gov. Abbott lifted the mask mandate and increased capacity of all businesses and facilities in the state to 100 percent effective March 10, prospects for the state economy's full recovery remains dependent on dwindling cases and hospitalizations and rising vaccination rates. These factors improved overall during February, which could benefit consumer behavior, supporting business activity while reducing the number of layoffs going forward and allowing people to return to the labor force.

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<sup>5</sup> The release of the Texas trade-weighted value of the dollar typically lags the *Outlook for the Texas Economy* by one month.

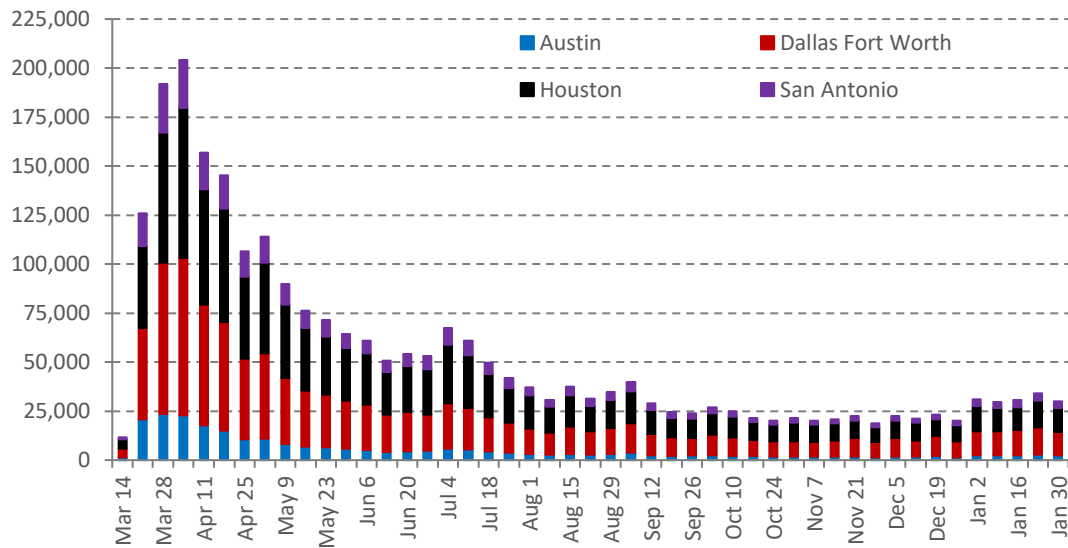
**Figure 1. Texas Weekly Initial Unemployment Claims and New COVID-19 Cases (2020-21)**



Note: Initial unemployment claims are seasonally adjusted.

Sources: Texas Workforce Commission, U.S. Department of Labor Employment and Training Administration, Texas Real Estate Research Center at Texas A&M University calculations, and <https://github.com/nytimes/covid-19-data/blob/master/us-counties.csv>.

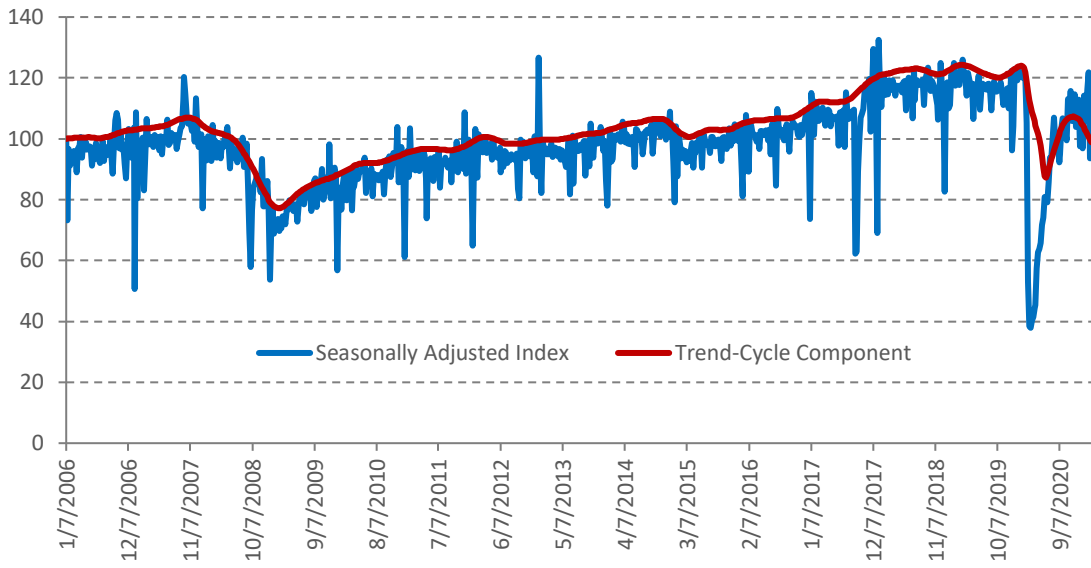
**Figure 2. Major Metro Weekly Initial Unemployment Claims (2020-21)**



Note: Seasonally adjusted.

Sources: Texas Workforce Commission, U.S. Department of Labor Employment and Training Administration, and Texas Real Estate Research Center at Texas A&M University calculations

**Figure 3. Texas Weekly Leading Index**  
(Index 1/7/2006 = 100)

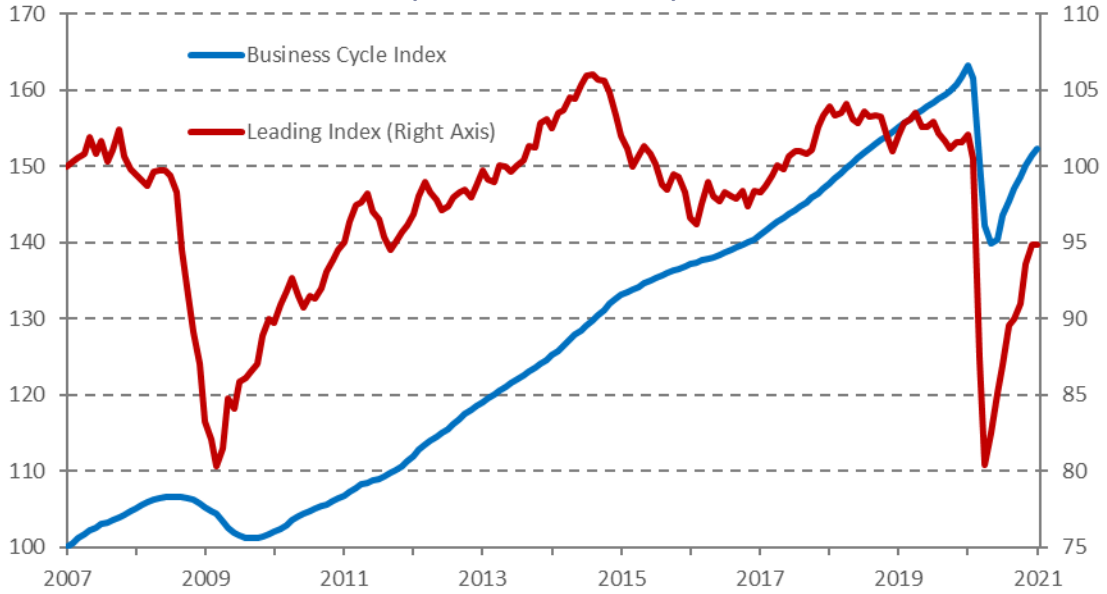


Note: Data through February 27, 2021.  
Source: Texas Real Estate Research Center at Texas A&M University



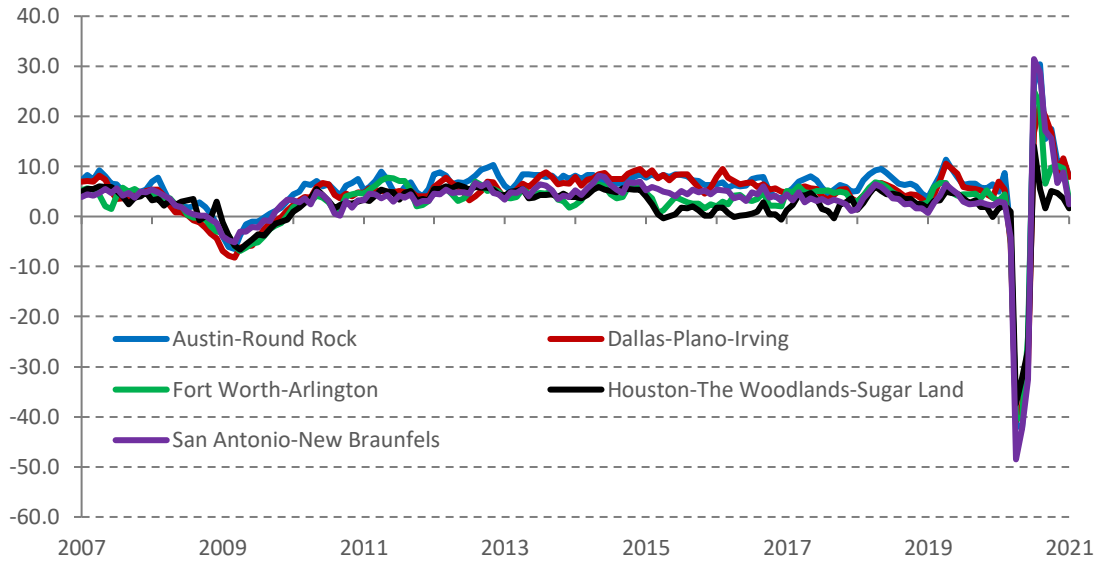
# Economic Activity

### Texas Business Cycle Index and Leading Index (Index Jan 2007 = 100)



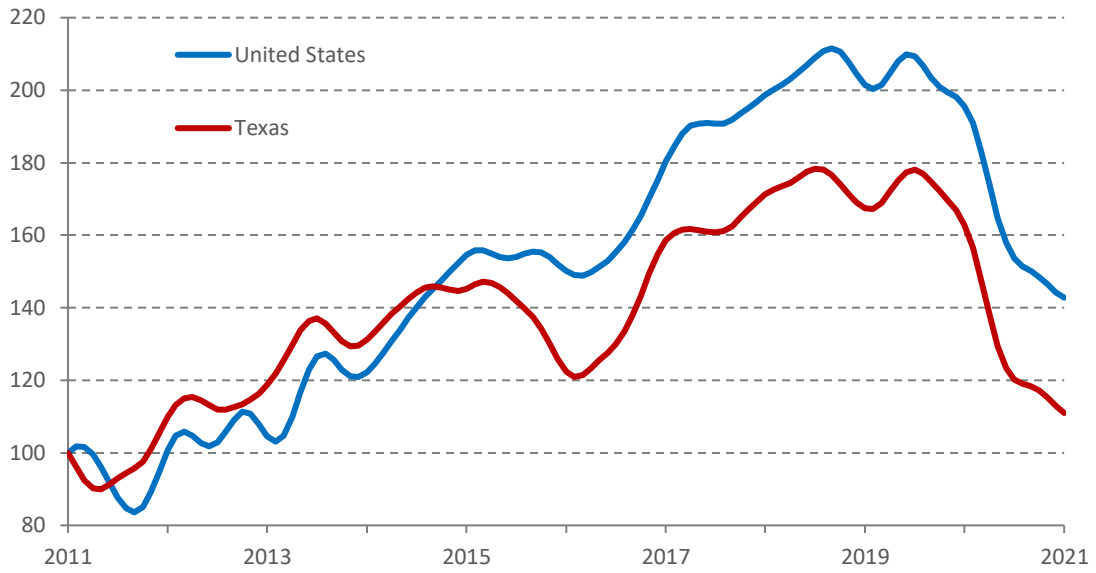
Note: Seasonally adjusted. For more information, see [Texas Business Cycle Index](#).  
Source: Federal Reserve Bank of Dallas

### Major Metros Business Cycle Index (Quarter-over-Quarter Percent Change)



Note: Seasonally adjusted. For more information, see [Texas Business Cycle Index](#).  
Source: Federal Reserve Bank of Dallas

### Consumer Confidence Index (Index Jan 2011 = 100)



Note: Trend-cycle Component.  
Source: Conference Board



# Financial Activity

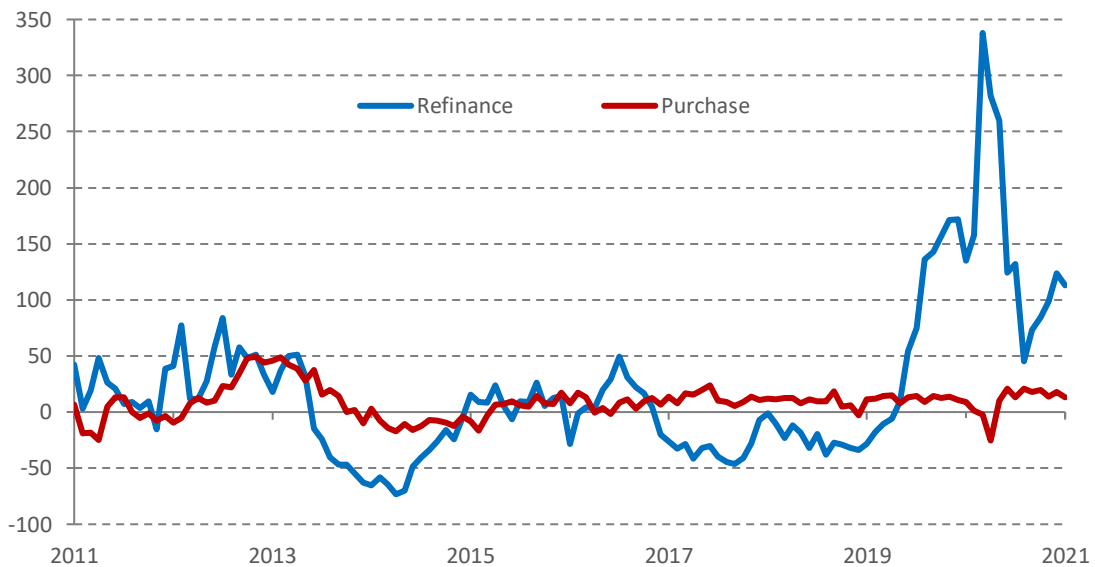
### 30-Year Mortgage Rate and Ten-Year Bond Yield (Percent)



Note: Nonseasonally adjusted.

Sources: Federal Home Loan Mortgage Corporation and Federal Reserve Board

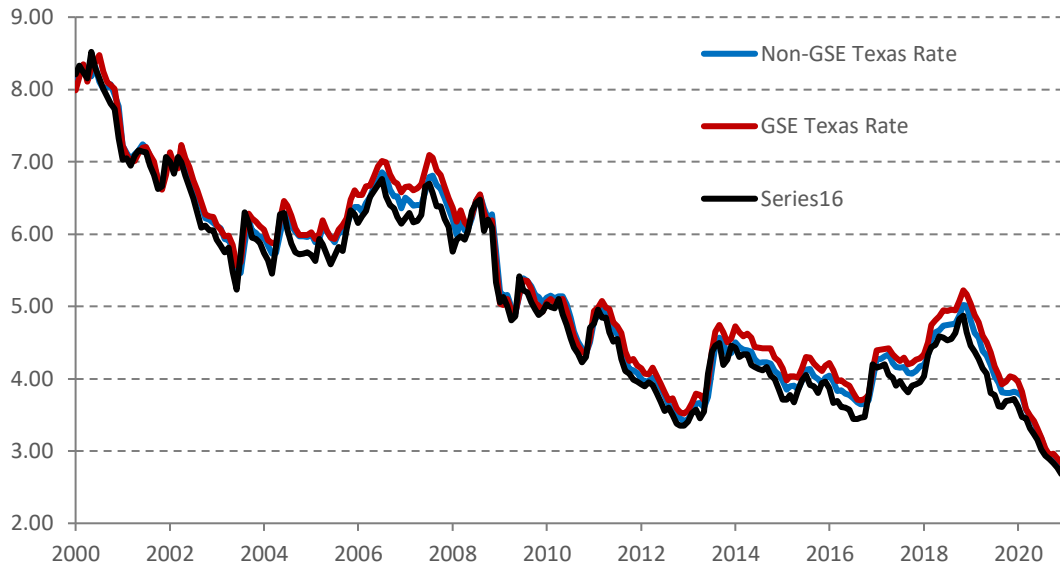
### Texas Mortgage Applications (Year-over-Year Percentage Change)



Note: Seasonally adjusted.

Source: Mortgage Bankers Association

### Fixed 30-Year Mortgage Rates (Percent)



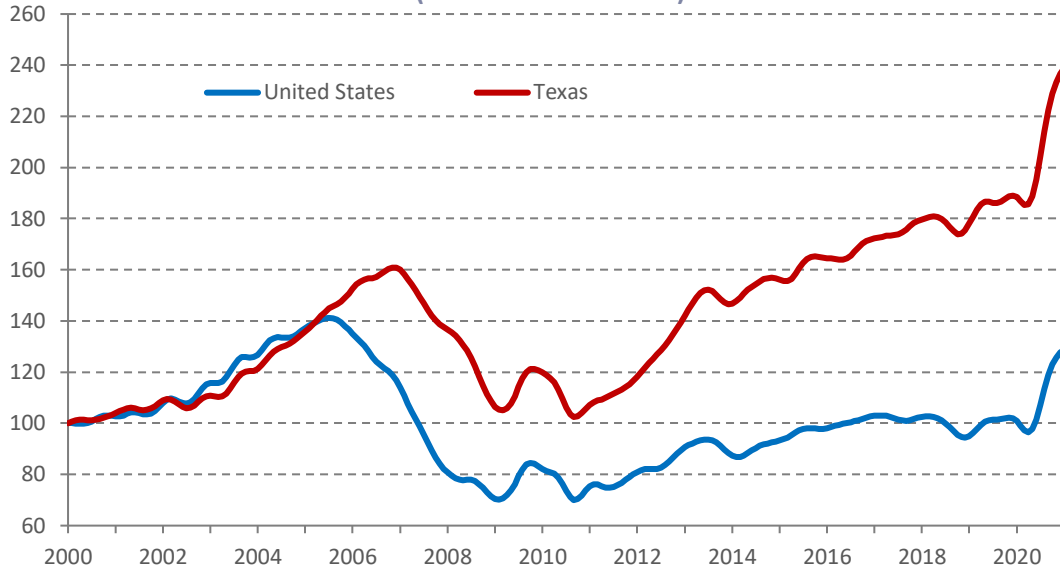
Note: Nonseasonally adjusted. The data for the most recent origination month is preliminary.  
Source: Federal Home Loan Mortgage Corporation and TrueStandings Servicing





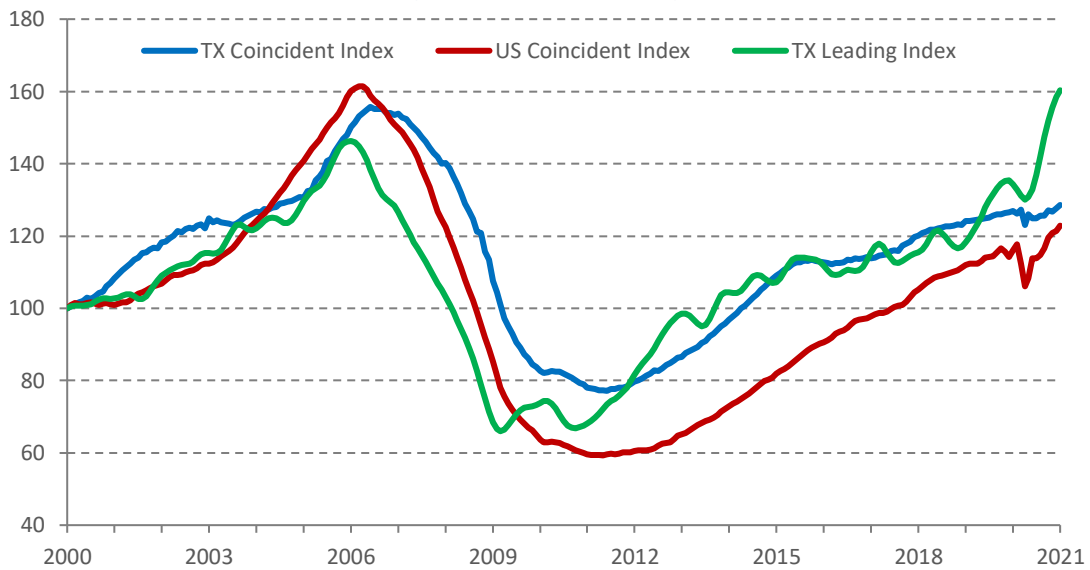
# Housing

### Housing Sales (Index Jan 2000 = 100)



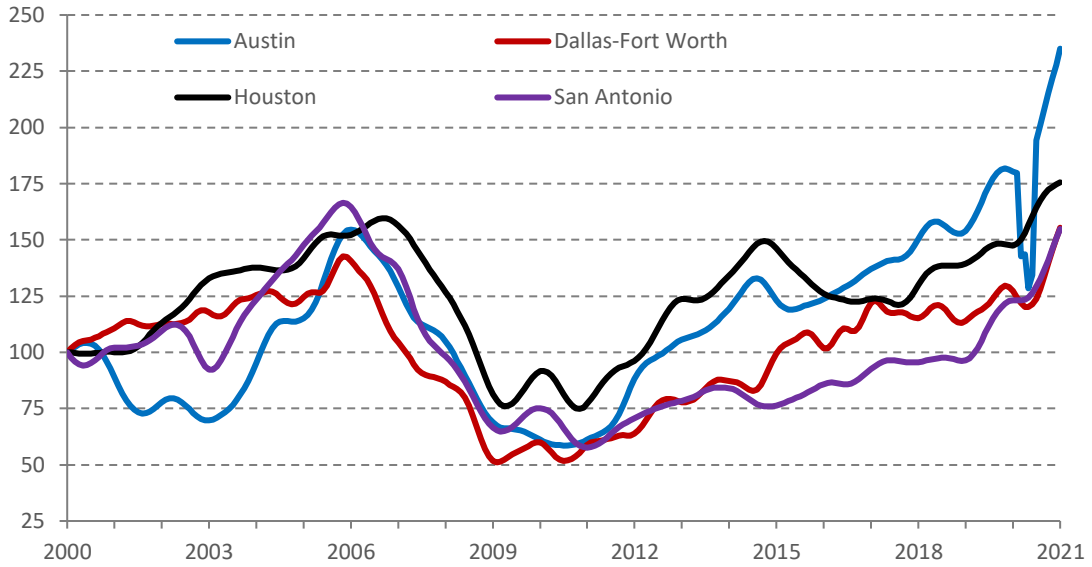
Note: Trend-cycle component. Sales for the United States include all existing homes and new single-family homes; new non-single-family homes are not included. Texas includes all existing and new homes. For more information, see [Housing Sales](#).  
Sources: U.S. Census Bureau, National Association of Realtors, and Texas Real Estate Research Center at Texas A&M University

### Texas Residential Construction Index (Index Jan 2000 = 100)



Note: Trend-cycle component.  
Sources: Texas Real Estate Research Center at Texas A&M University and Federal Reserve Bank of Dallas

**Major Metros Residential Leading Construction Index**  
(Index Jan 2000 = 100)

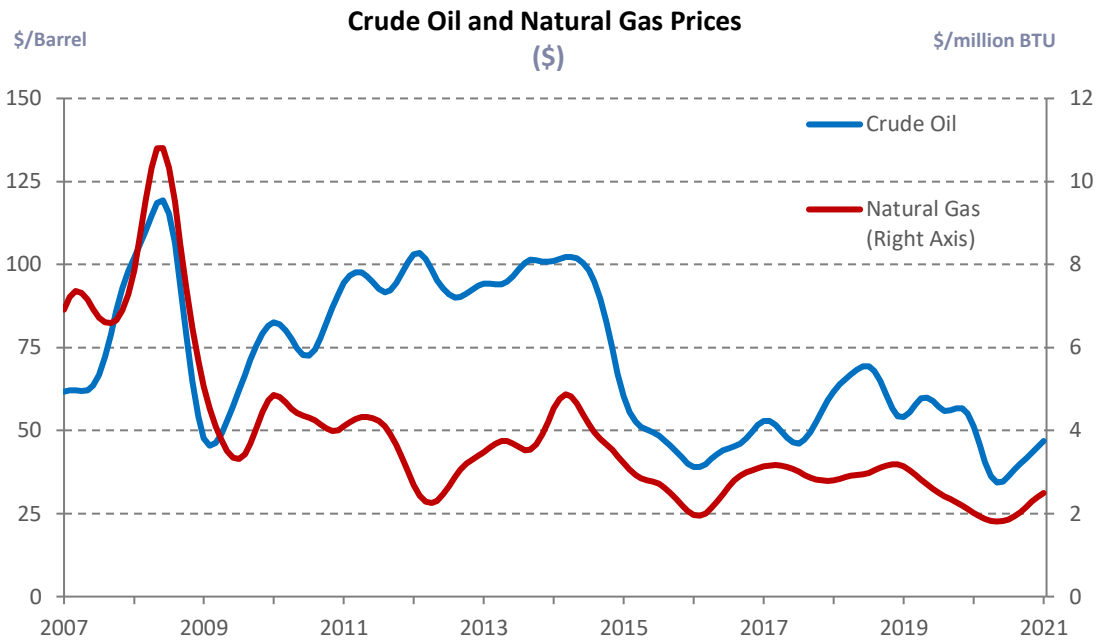


Note: Trend-cycle component.

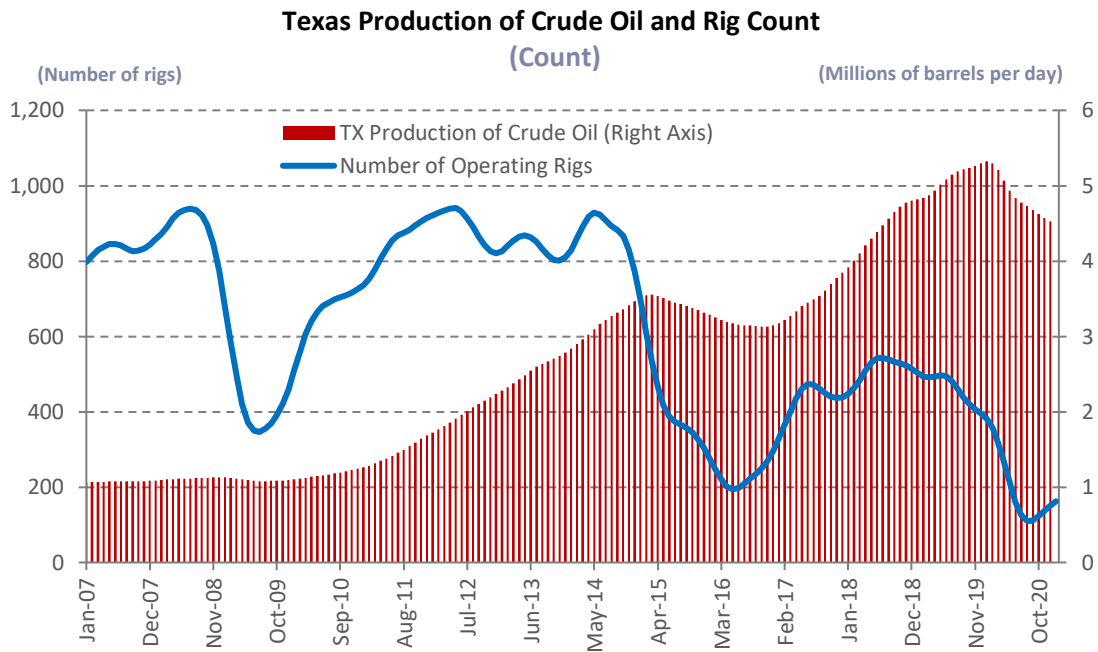
Sources: Texas Real Estate Research Center at Texas A&M University and Federal Reserve Bank of Dallas



# Energy



Note: Trend-cycle component. For more information, see [Crude Oil and Natural Gas Prices](#).  
 Source: U.S. Energy Information Administration received from Thomson Reuters

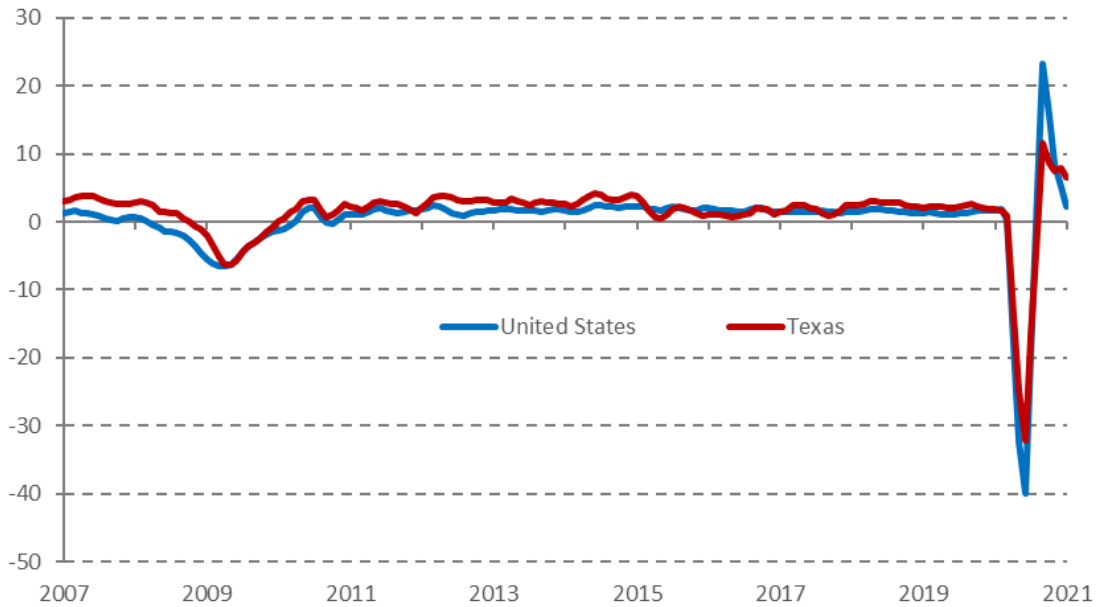


Note: Trend-cycle component. For more information, see [Texas Production of Crude Oil and Rig Count](#).  
 Sources: Baker Hughes and U.S. Energy Information Administration



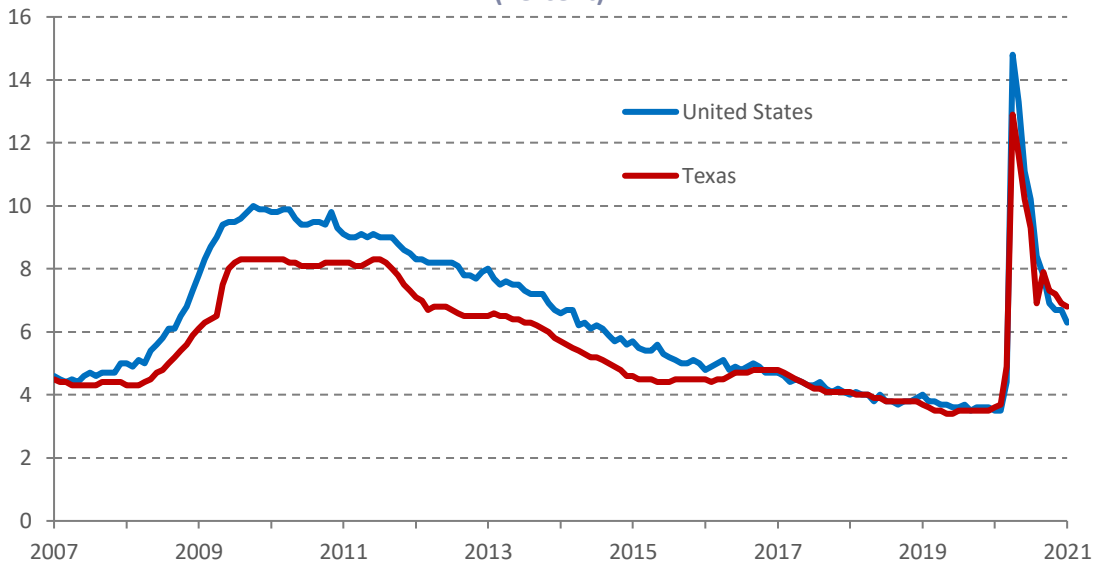
# Employment

### Employment Growth Rate (Quarter-over-Quarter Annualized Percent Change)



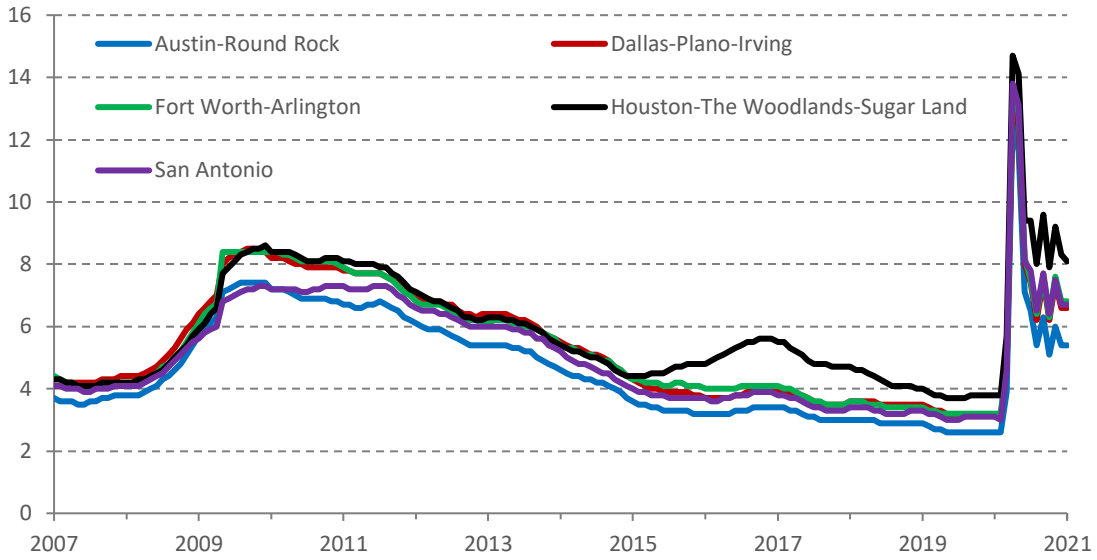
Note: Seasonally adjusted, three-month moving average. January 2021 is preliminary. For more information, see [Employment Growth Rate](#).  
Source: Bureau of Labor Statistics

### Unemployment Rate (Percent)



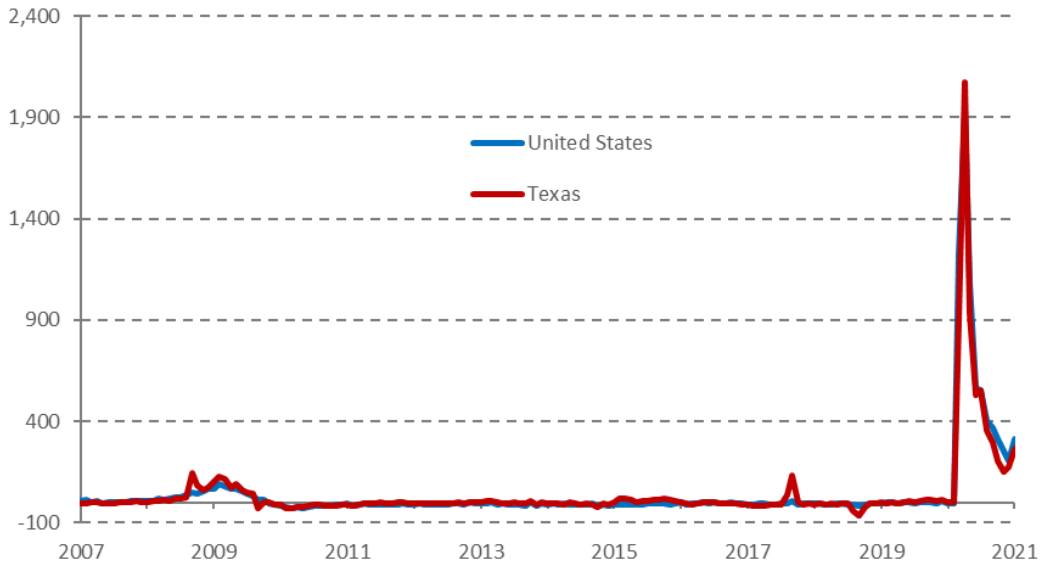
Note: Seasonally adjusted. January 2021 is preliminary. For more information, see [Unemployment Rate](#).  
Source: Bureau of Labor Statistics

### Major Metros Unemployment Rate (Percent)



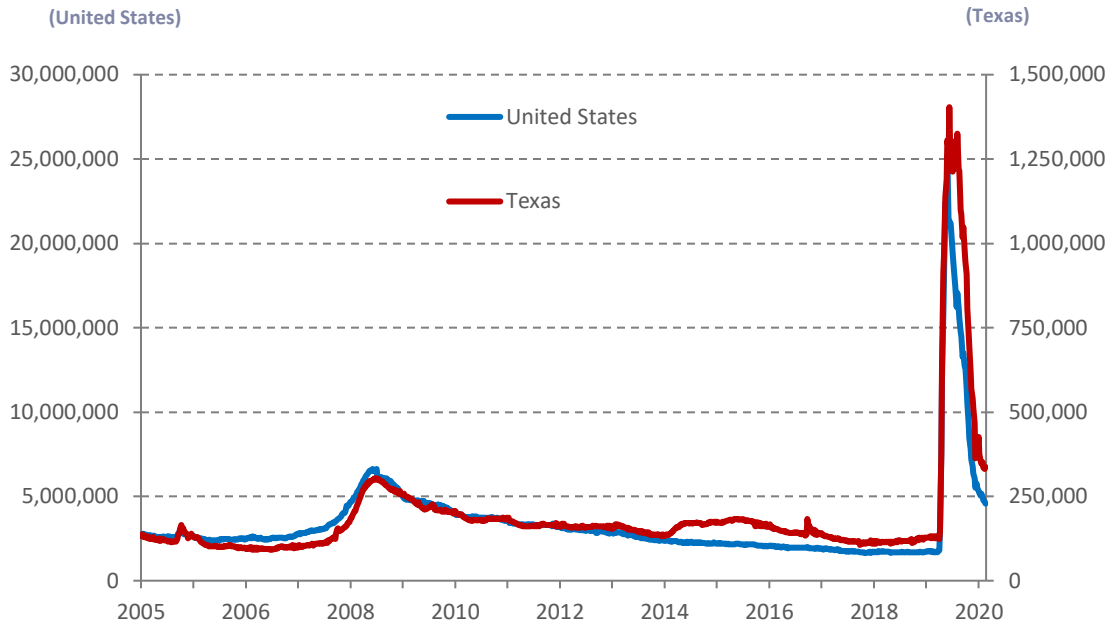
Note: Seasonally adjusted. January 2021 is preliminary. For more information, see [Unemployment Rate](#).  
Source: Bureau of Labor Statistics

### Unemployment Insurance Claims: Initial Applications (Year-over-Year Percentage Change)



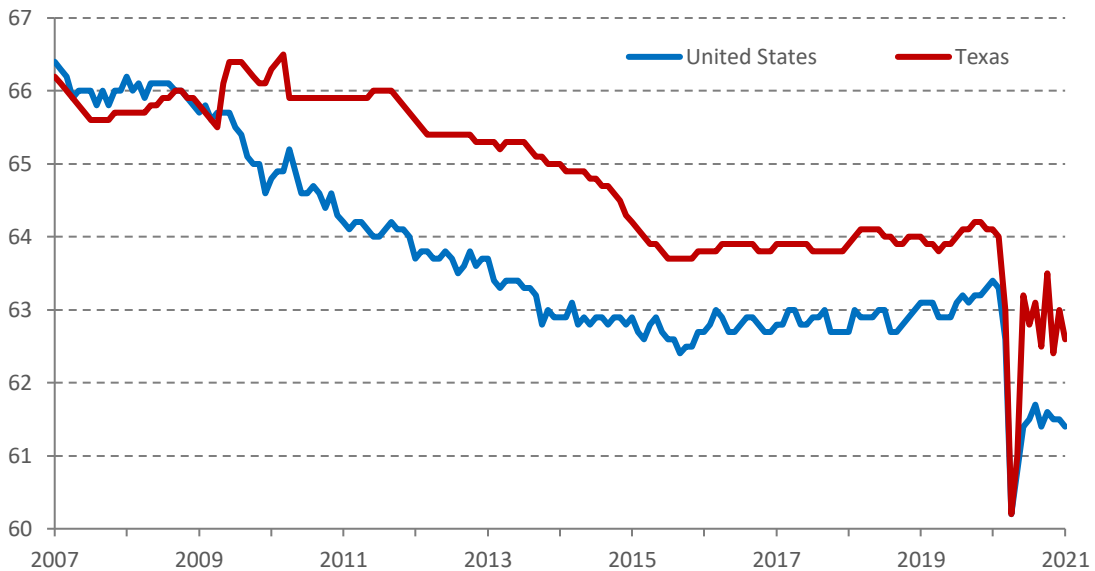
Note: Seasonally adjusted. For more information, see Unemployment Insurance Claims: Initial Applications.  
Source: Department of Labor

## Unemployment Insurance Claims: Continued Applications



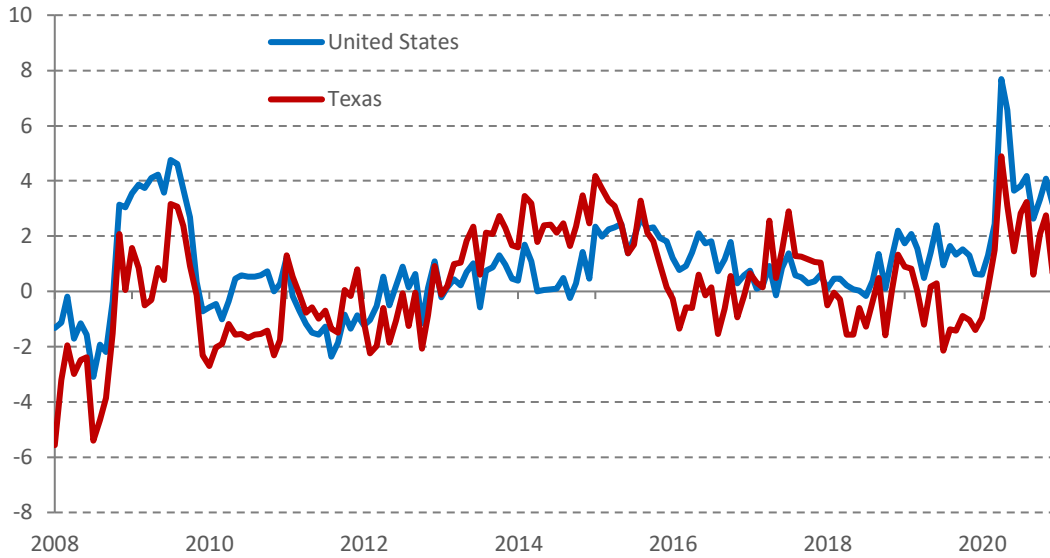
Note: Seasonally adjusted. Average weekly continued claims.  
Source: Department of Labor/Haver Analytics

## Labor Force Participation Rate (Percent)



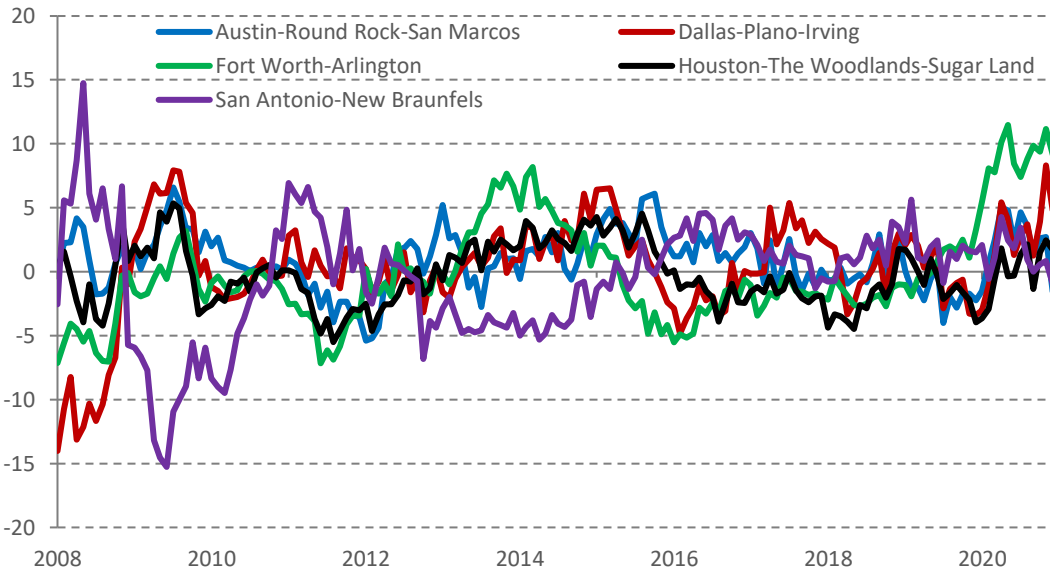
Note: Seasonally adjusted. For more information, see [Unemployment Rate](#).  
Source: Bureau of Labor Statistics

### Total Private Employee Hourly Earnings (Year-over-Year Percent Change)



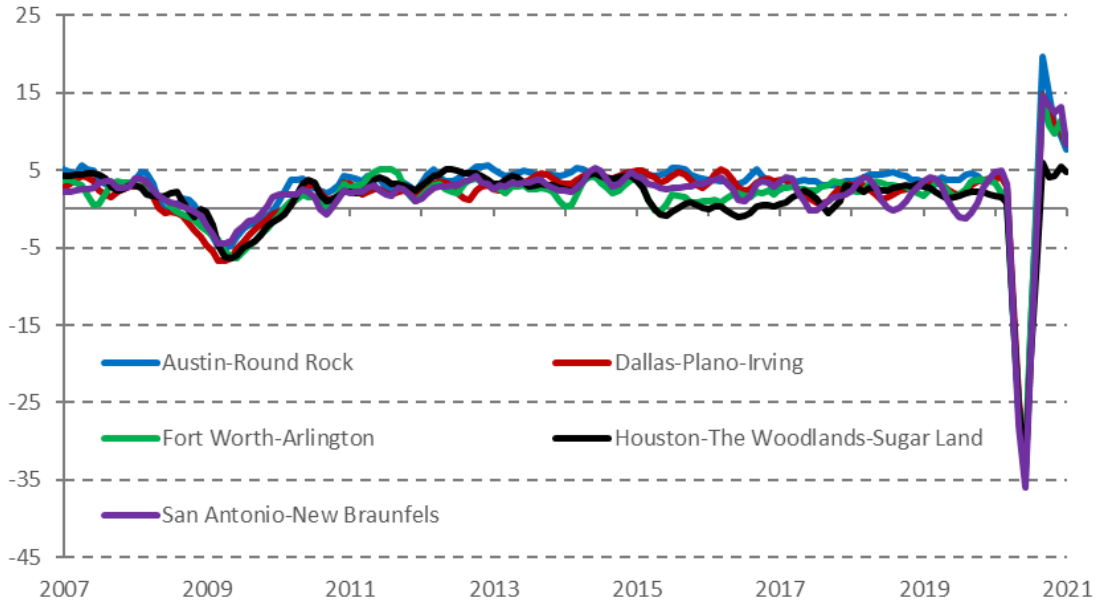
Notes: Inflation adjusted, seasonally adjusted. January 2021 is preliminary.  
For more information, see [Total Private Employee Hourly Earnings](#).  
Source: Bureau of Labor Statistics

### Major Metros Total Private Employee Hourly Earnings (Year-over-Year Percent Change)



Notes: Inflation adjusted, seasonally adjusted. January 2021 is preliminary.  
For more information, see [Total Private Employee Hourly Earnings](#).  
Source: Bureau of Labor Statistics

**Major Metros Employment Growth Rate**  
(Quarter-over-Quarter Annualized Percent Change)



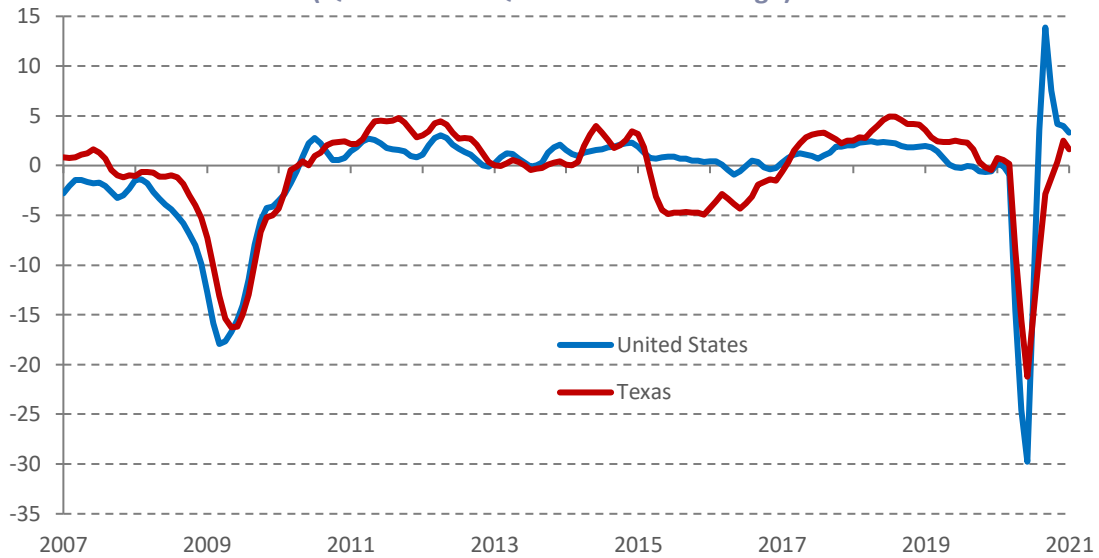
Note: Seasonally adjusted, three-month moving average. January 2021 is preliminary.  
 For more information, see [Employment Growth Rate](#).  
 Source: Bureau of Labor Statistics





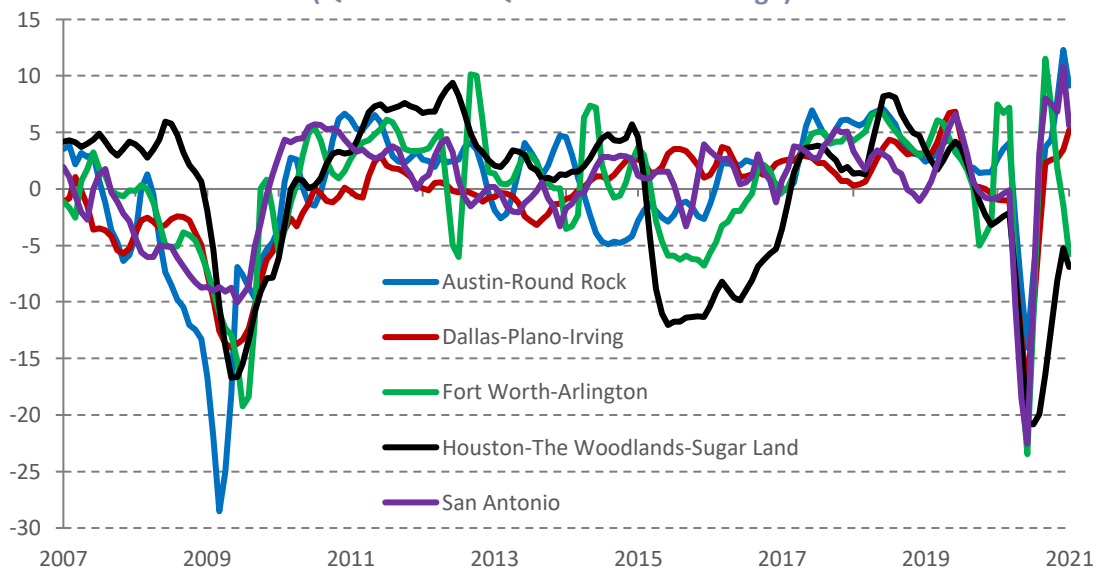
# Manufacturing

### Manufacturing Employment (Quarter-over-Quarter Percent Change)



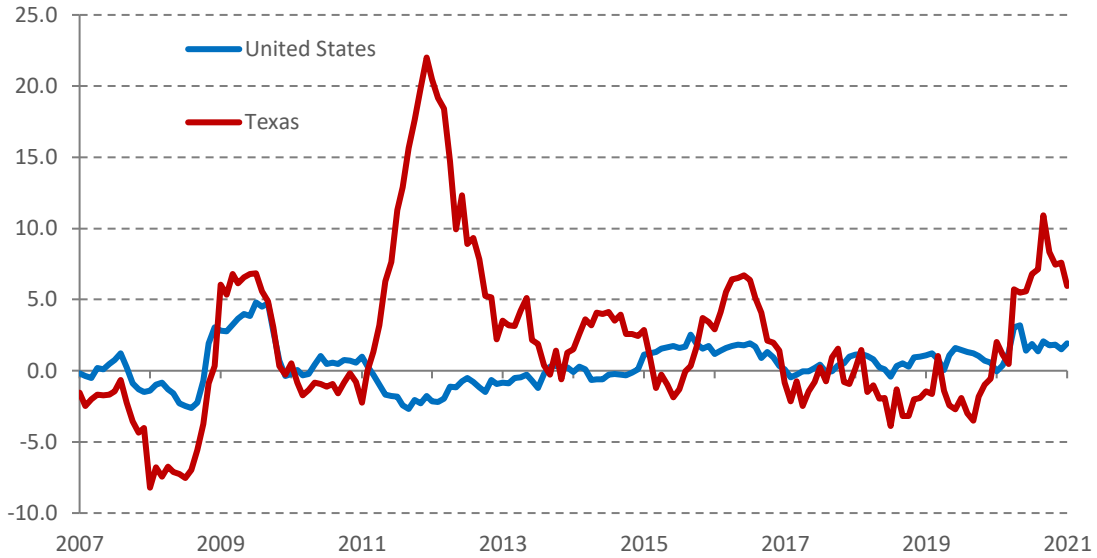
Note: Seasonally adjusted, three-month moving average. January 2021 is preliminary. For more information, see [Employment Growth Rate](#).  
Source: Bureau of Labor Statistics

### Major Metros Manufacturing Employment (Quarter-over-Quarter Percent Change)



Note: Seasonally adjusted, three-month moving average. January 2021 is preliminary. For more information, see [Employment Growth Rate](#).  
Source: Bureau of Labor Statistics

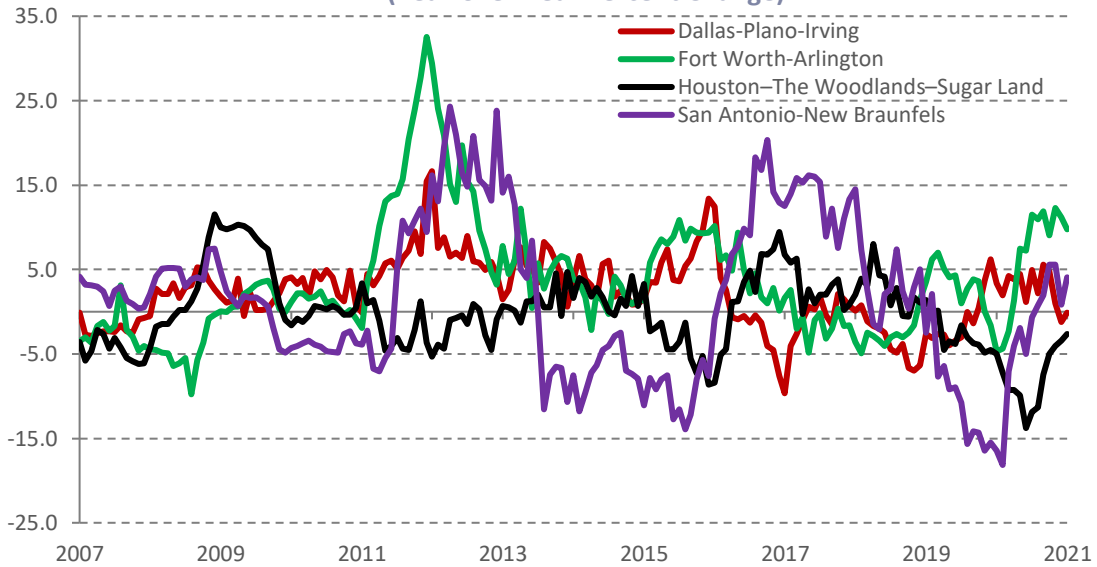
**Manufacturing Employee Hourly Earnings  
(Year-over-Year Percent Change)**



Notes: Inflation adjusted, seasonally adjusted. January 2021 is preliminary. For more information, see [Total Private Employee Hourly Earnings](#).

Source: Bureau of Labor Statistics

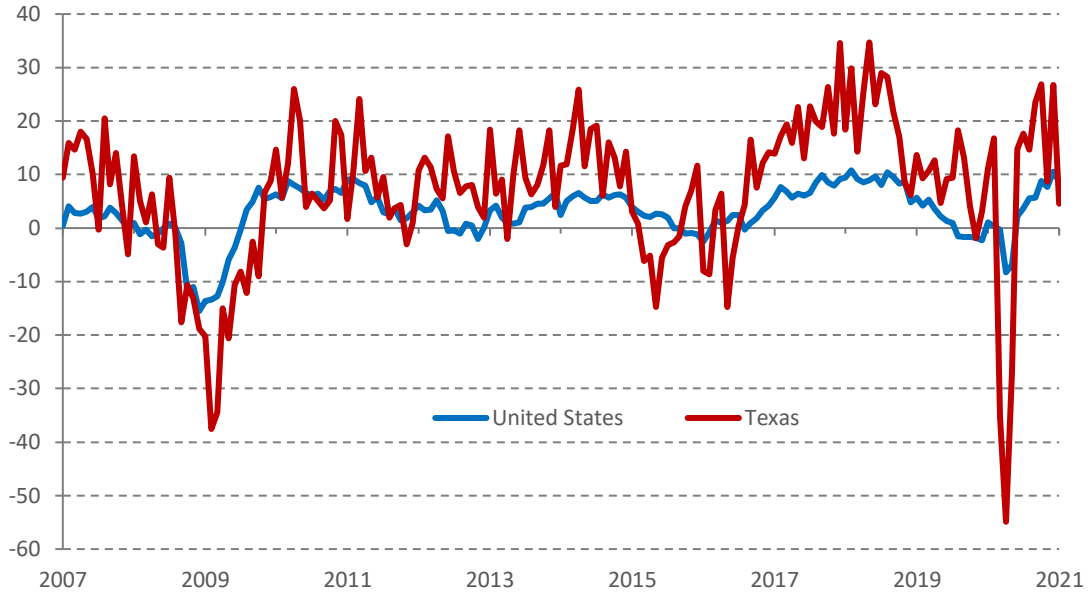
**Major Metros Manufacturing Employee Hourly Earnings  
(Year-over-Year Percent Change)**



Notes: Inflation adjusted, seasonally adjusted. January 2021 is preliminary. For more information, see [Total Private Employee Hourly Earnings](#).

Source: Bureau of Labor Statistics

### Manufacturing Outlook Survey (Index)



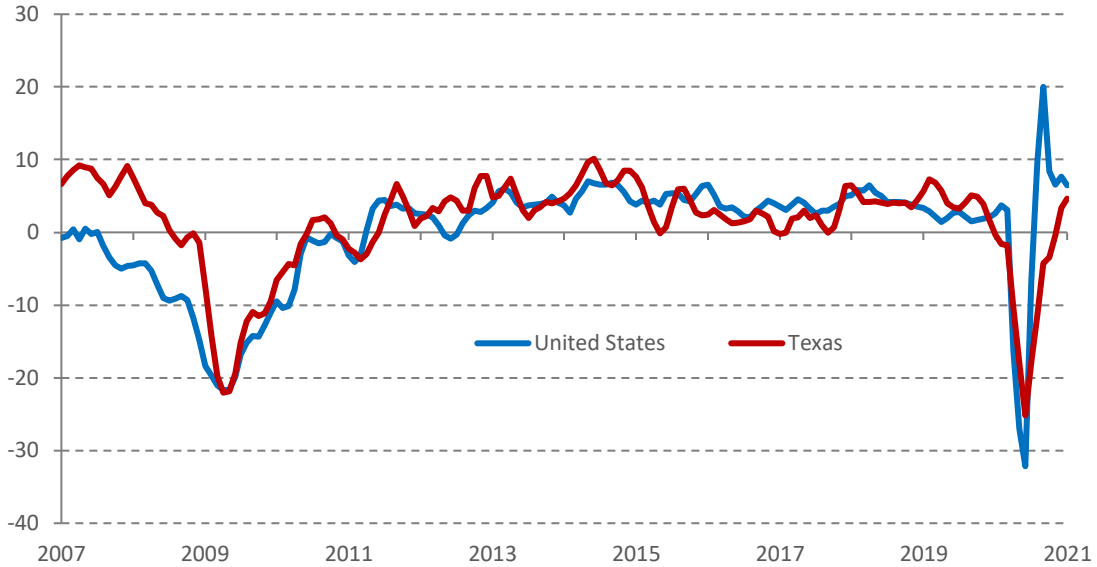
Note: Seasonally adjusted. For more information, see [Manufacturing Outlook Survey](#). United States index is adjusted -50 to be on scale with Texas index.

Sources: Federal Reserve Bank of Dallas and Institute for Supply Management



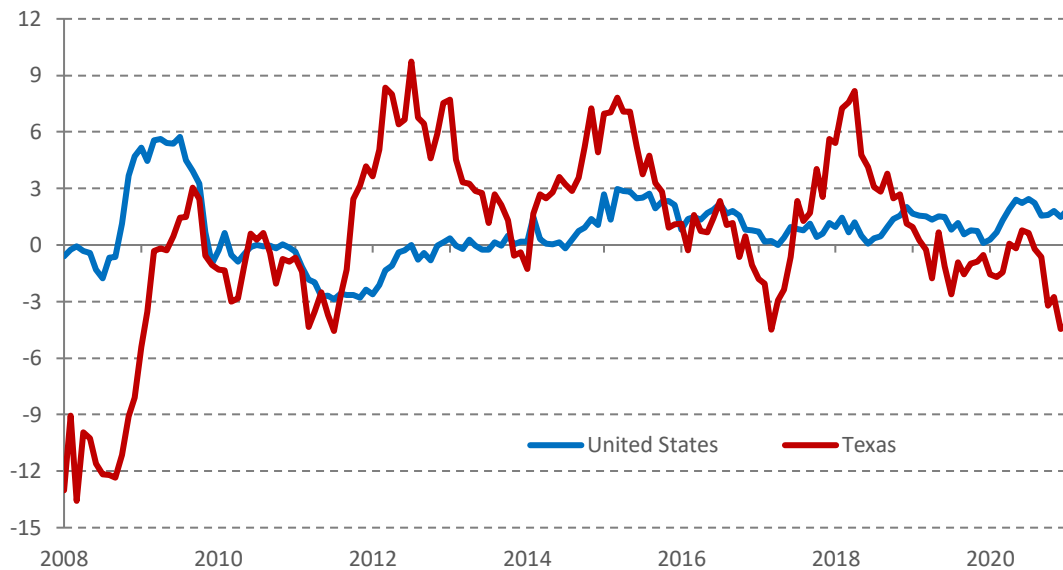
# Construction

### Construction Employment (Quarter-over-Quarter Percent Change)



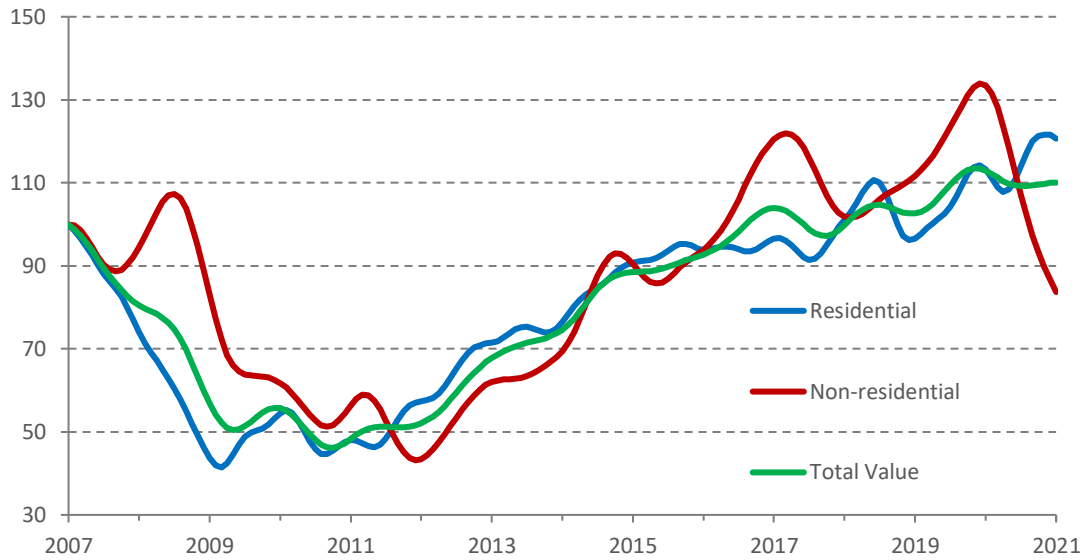
Note: Seasonally adjusted, 3-month moving average. January 2021 is preliminary. For more information, see [Employment Growth Rate](#).  
Source: Bureau of Labor Statistics

### Construction Employee Hourly Earnings (Year-over-Year Percent Change)



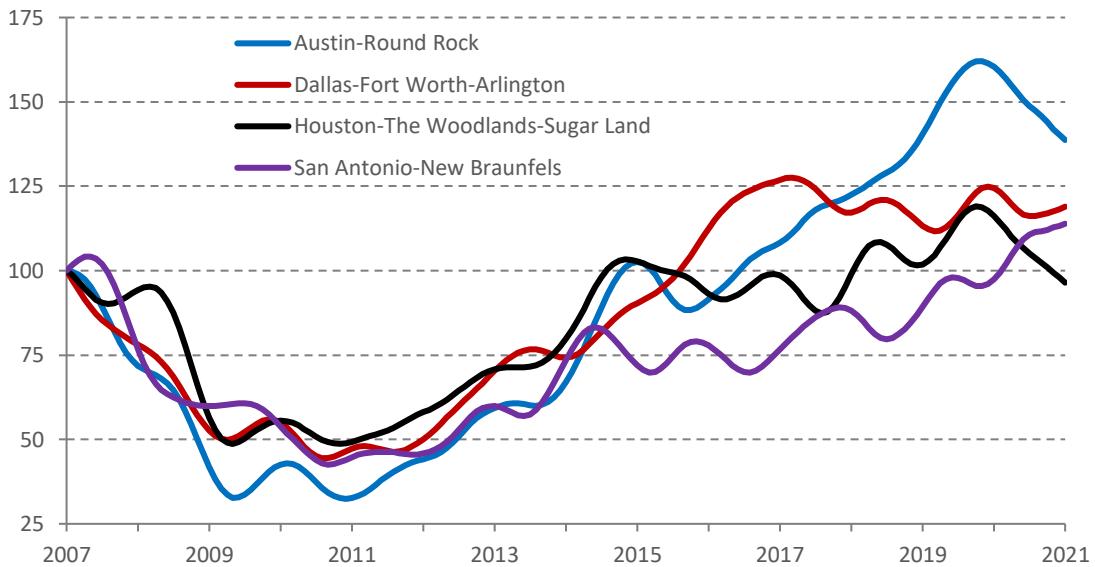
Notes: Inflation adjusted, seasonally adjusted. January 2021 is preliminary. For more information, see [Total Private Employee Hourly Earnings](#).  
Source: Bureau of Labor Statistics

**Texas Construction Values**  
(Index Jan 2007 = 100)



Note: Inflation adjusted trend-cycle component.  
Source: Dodge Analytics

**Major Metros Total Construction Values**  
(Index Jan 2007 = 100)

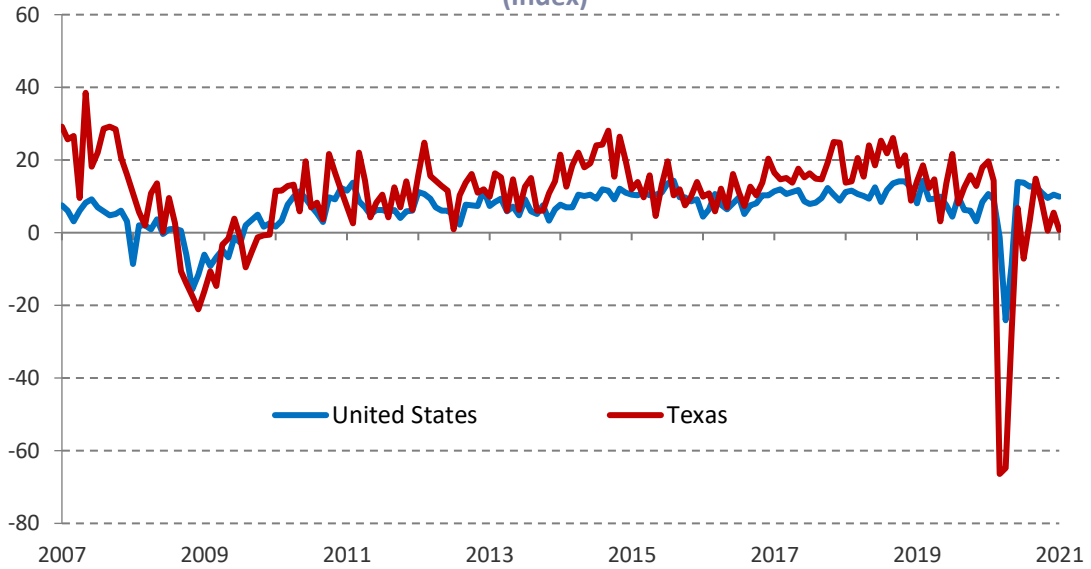


Note: Inflation adjusted trend-cycle component.  
Source: Dodge Analytics



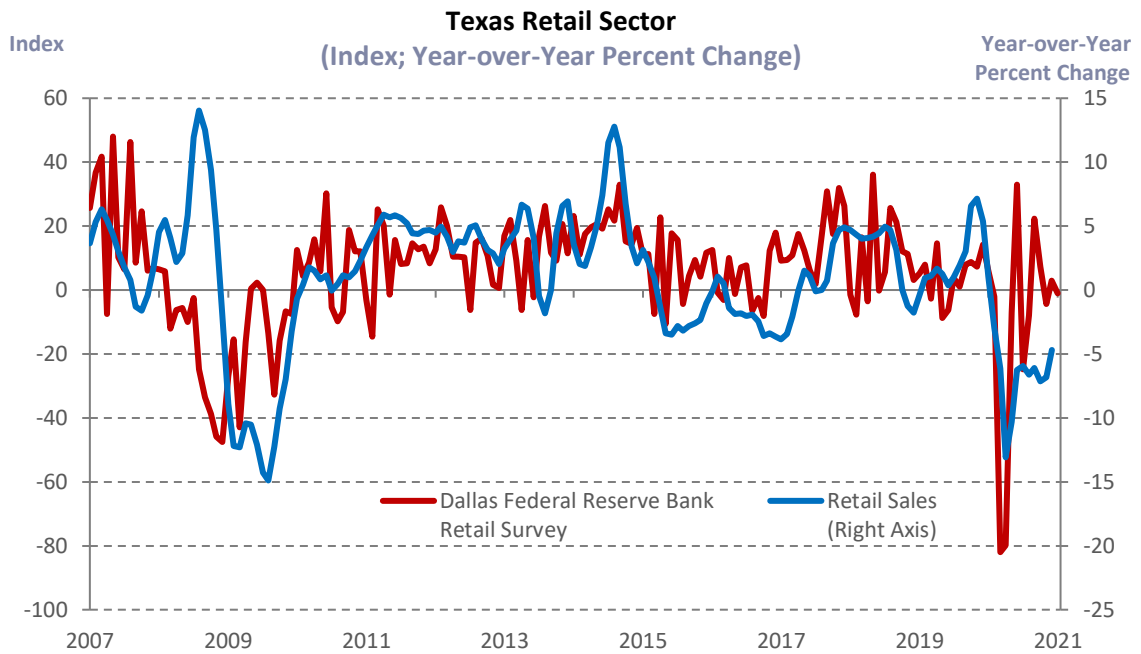
# Services

### Services Sector Outlook Survey (Index)



Note: Seasonally adjusted. For more information, see [Services Sector Outlook Survey](#). United States index is adjusted -50 to be on scale with Texas index.

Sources: Federal Reserve Bank of Dallas and Institute for Supply Management



Note: Seasonally adjusted and inflation adjusted. For more information, see Texas Retail Sector.

Sources: Retail Sector Outlook Survey from the Federal Reserve Bank of Dallas, Retail Sales from Texas Comptroller of Public Accounts

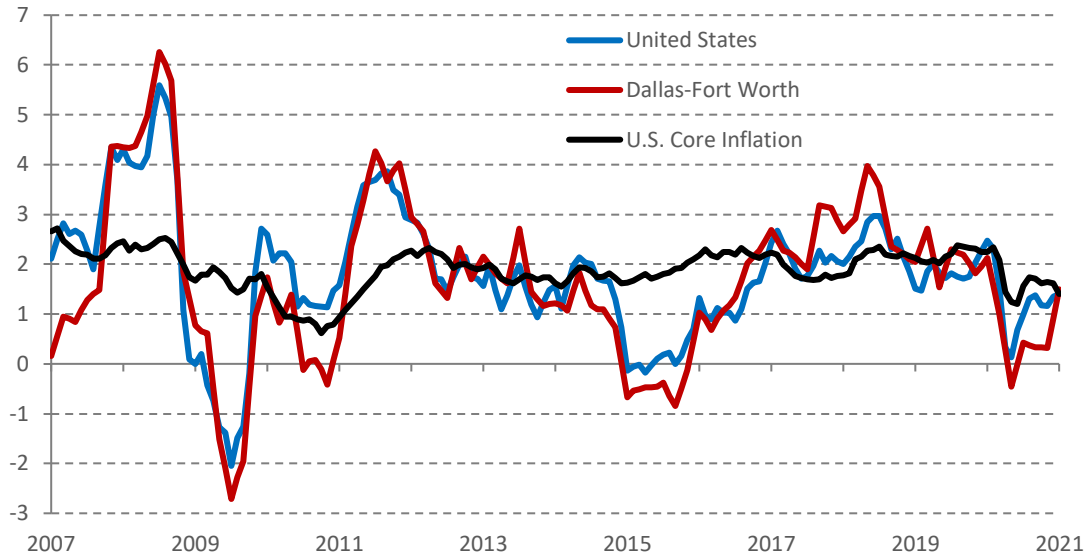


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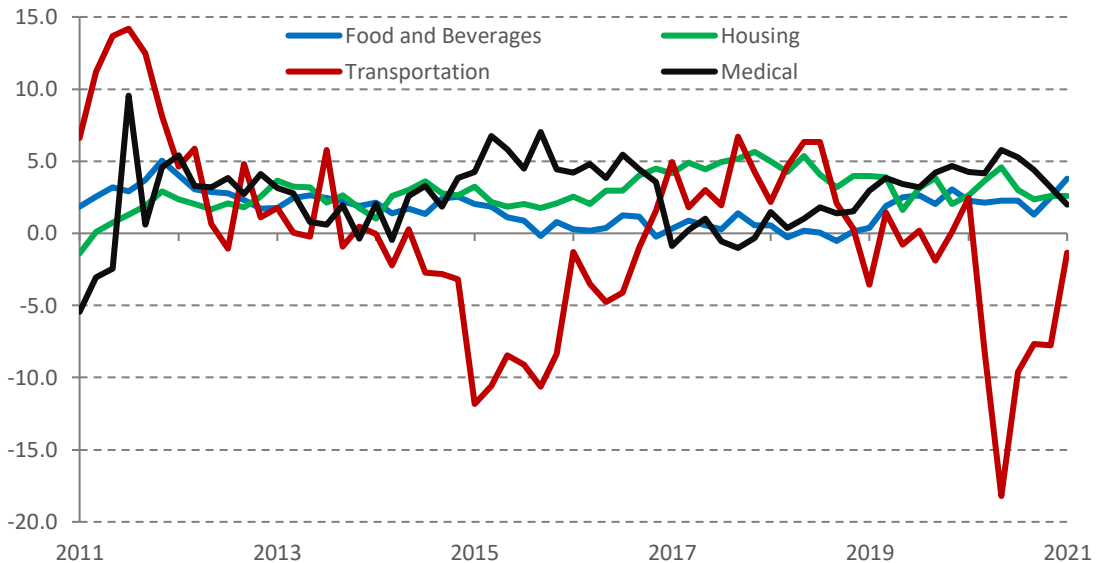


### CPI Inflation Rates (Year-over-Year Percent Change)



Note: Seasonally adjusted. For more information, see [CPI Inflation Rates](#).  
Source: Bureau of Labor Statistics

### CPI Inflation Rates (Dallas-Fort Worth Components) (Year-over-Year Percent Change)

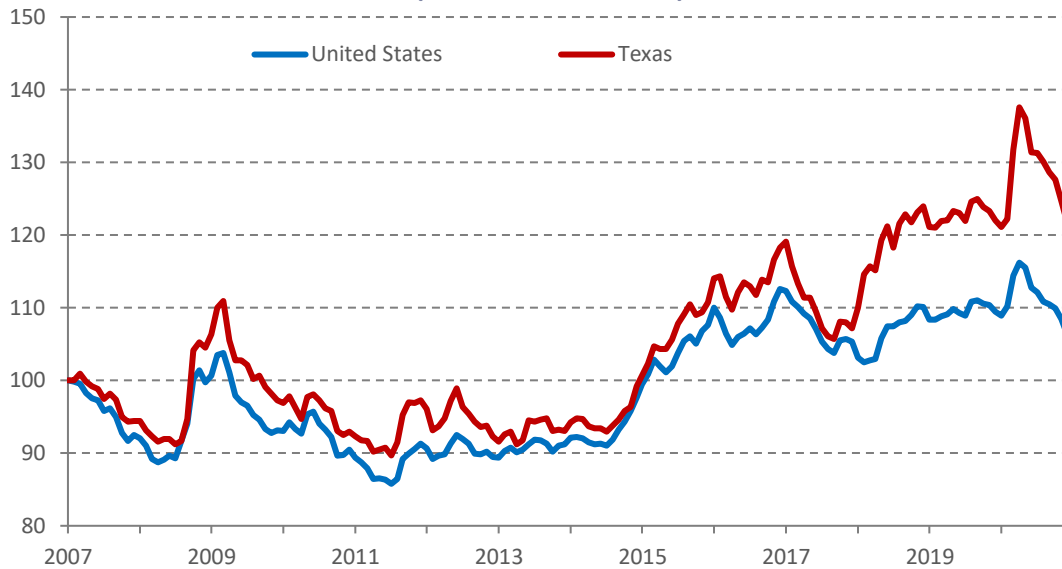


Note: The Dallas-Fort Worth CPI is composed of the following major groups: Food and Beverages, Housing, Apparel, Transportation, Medical Care, Recreation, Education and Communication, and Other Goods and Services. The four major components are included in the graph above.  
Source: Bureau of Labor Statistics



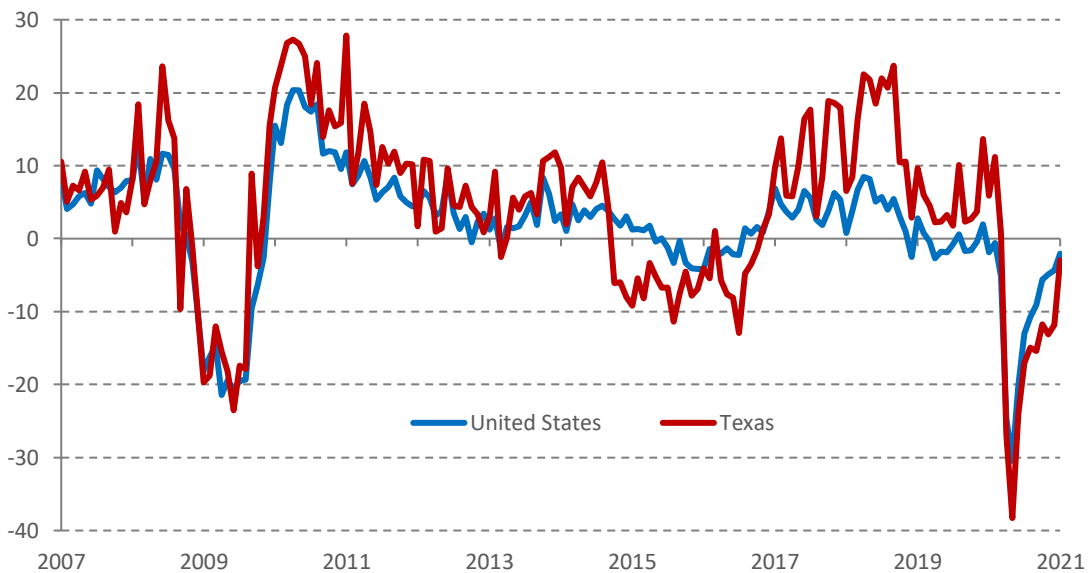
# Trade

### Real Trade Weighted Value of U.S. Dollar (Index Jan 2007 = 100)



Note: For more information, see [Real Trade Weighted Value of U.S. Dollar](#).  
Sources: Federal Reserve Bank of Dallas and Federal Reserve Bank of St. Louis

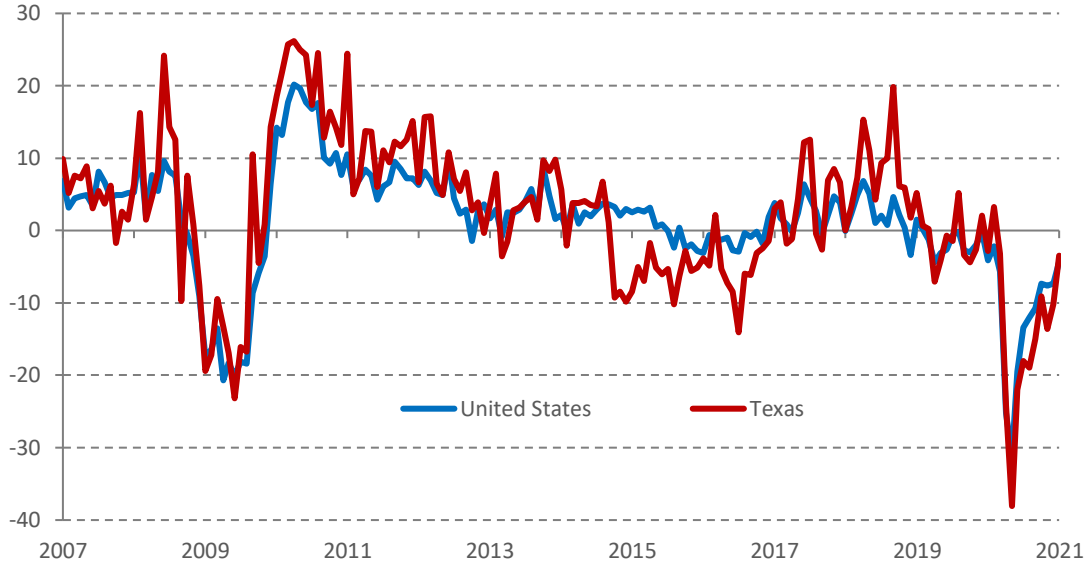
### Exports (All Commodities) (Year-over-Year Percent Change)



Note: Seasonally adjusted. Inflation adjusted with Bureau of Labor Statistics export indices. For more information, see [Exports](#).  
Sources: International Trade Administration, Foreign Trade Division, and U.S. Census Bureau



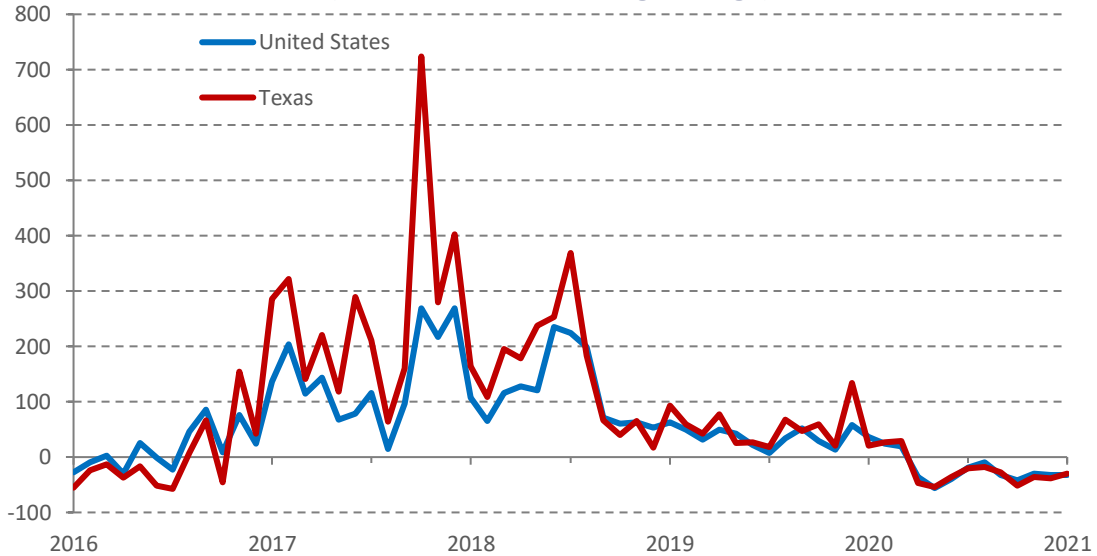
### Manufacturing Exports (Year-over-Year Percent Change)



Note: Seasonally adjusted. Inflation adjusted with Bureau of Labor Statistics export indices. For more information, see [Manufacturing Exports](#).

Sources: International Trade Administration, Foreign Trade Division, and U.S. Census Bureau

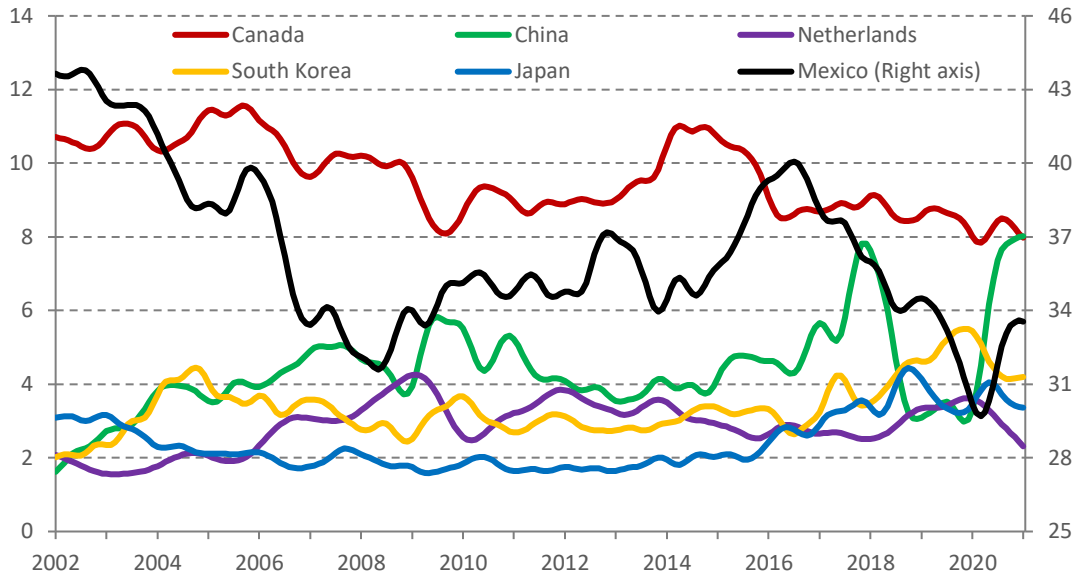
### Crude Oil Exports (Year-over-Year Percentage Change)



Note: Seasonally adjusted. Inflation adjusted with Bureau of Labor Statistics export indices. For more information, see [Crude Oil Exports](#).

Sources: International Trade Administration, Foreign Trade Division, and U.S. Census Bureau

### Texas Exports by Country (Percent)



Note: Trend-cycle component. For more information, see [Exports](#).

Sources: International Trade Administration, Foreign Trade Division, and U.S. Census Bureau



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