

Outlook for the Texas Economy



LUIS B. TORRES
RESEARCH ECONOMIST

WESLEY MILLER
RESEARCH ASSOCIATE

JACOB STRAUS
RESEARCH ASSOCIATE

BRENDAN HARRISON
RESEARCH INTERN



TEXAS A&M UNIVERSITY
Texas Real Estate
Research Center



2046

JUNE 2021 DATA

TECHNICAL REPORT

About this Report	3
June 2021 Summary	4
Economic Activity	11
Texas Business Cycle Index and Leading Index.....	11
Major Metros Business Cycle Index	11
Consumer Confidence Index	12
Financial Activity	13
30-Year Mortgage Rate and Ten-Year Bond Yield	13
Texas Mortgage Applications	13
Fixed 30-Year Mortgage Rates	14
Housing	15
Housing Sales	15
Texas Residential Construction Index	15
Major Metros Residential Leading Construction Index.....	16
Energy	17
Crude Oil and Natural Gas Prices	17
Texas Production of Crude Oil and Rig Count	17
Employment	18
Employment Growth Rate.....	18
Unemployment Rate	18
Major Metros Unemployment Rate.....	19
Unemployment Insurance Claims: Initial Applications.....	19
Unemployment Insurance Claims: Continued Applications.....	20
Labor Force Participation Rate	20
Total Private Employee Hourly Earnings	21
Major Metros Total Private Employee Hourly Earnings.....	21
Major Metros Employment Growth Rate	22
Manufacturing	23
Manufacturing Employment	23
Major Metros Manufacturing Employment.....	23
Manufacturing Employee Hourly Earnings.....	24
Major Metros Manufacturing Employee Hourly Earnings	24
Manufacturing Outlook Survey	25

Construction	26
Construction Employment	26
Construction Employee Hourly Earnings.....	26
Texas Construction Values	27
Major Metros Total Construction Values	27
Services	28
Services Sector Outlook Survey.....	28
Texas Retail Sector	28
CPI Inflation Rates	29
CPI Inflation Rates (Houston Components).....	29
Trade	30
Real Trade Weighted Value of U.S. Dollar	30
Exports (All Commodities).....	30
Manufacturing Exports.....	31
Crude Oil Exports.....	31
Texas Exports by Country	32



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.

Dr. Luis Torres, Wesley Miller, Jacob Straus, and Brendan Harrison

Data current as of August 16, 2021

© 2021, Texas Real Estate Research Center. All rights reserved.



June 2021 Economic Report

WTI OIL PRICE PER BARREL

▲ \$74

NONFARM EMPLOYMENT

▲ 4.4% SAAR

REAL RETAIL SALES

▼ 11.4% YOY

U.S. CPI

▲ 5.4% YOY

Summary¹

Economic activity in Texas improved during the second quarter, and strong growth is expected for the remainder of the year. Improved hiring in June resulted in solid second-quarter payroll growth, although joblessness in the Lone Star State was still higher than the national average. Moreover, headline wage numbers flattened in real terms due to supply bottlenecks driving up inflation. On the bright side, oil industry activity grew as oil prices increased and the global economic recovery continued. The relative health of the state's economy and favorable business practices attracted migrants and firms from other parts of the country, bolstering population growth and housing demand.

Texas' economy extended its year-long recovery in June according to the **Dallas Fed's Texas Business-Cycle Index**, which rose 7.8 percent on a seasonally adjusted annualized rate (SAAR). Hiring in Central Texas pushed the Austin and San Antonio indexes up 8.9 and 8.7 percent, respectively. The metric decelerated 8.5 percent in Houston while accelerating 10.7 percent in Dallas. Economic activity was more subdued in Fort Worth as quarterly employment flattened, pushing the index up 2.6 percent SAAR.

The **Texas Leading Economic Index** (a measure of *future* directional changes in the business cycle) ticked up for the third straight month, but the growth rate decelerated due to negative fluctuations in the Texas Stock Index, Texas value of the dollar, and average weekly hours in manufacturing. On the other hand, the **Texas Consumer Confidence Index** increased as optimism surrounding overall business conditions, employment, and household finances outweighed inflationary concerns. Increasing COVID-19 vaccination rates bolstered consumer confidence. Based on data from the Texas Department of State Health Services, 50.3 percent of the state's population was fully vaccinated as of June 30. Unfortunately, after months of decline in COVID-19 cases, the emergence of a more contagious Delta variant increased uncertainty surrounding the end of the pandemic as the number of new cases grew in the last week of June.

Rising oil prices and optimistic national economic data during the second quarter resulted in higher growth and inflation expectations for 2021. However, the liquidity in the financial markets as a consequence of large-scale asset purchases by the Fed, which include mortgage-backed securities and U.S. Treasuries has pushed down interest rates. The **ten-year U.S. Treasury bond yield** fell 10

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



TEXAS A&M UNIVERSITY

Texas Real Estate Research Center



basis points after reaching a pandemic peak of 1.6² percent in April, but the **Federal Home Loan Mortgage Corporation's 30-year fixed-rate** ticked up to 2.98 percent. The median mortgage rate within Texas held steady in May³ at 3.2 and 3.0 percent for GSE and non-GSE loans, respectively, but, similarly to the national headline metric, remained below year-ago levels. Texas home-purchase applications declined for the third consecutive month in June, falling 25.4 percent YTD, and refinance applications declined 31.8 percent over the same period. Lenders adding more requisites and the shrinking pool of households able to refinance is likely impacting refinance activity. (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>.)

Despite healthy demand, housing sales slowed in June amid ongoing inventory constraints, marking the fifth consecutive quarterly decline as total sales fell 2 percent QOQ. Transactions for homes priced less than \$400,000 offset quarterly growth of 11.5 percent in the luxury-home sector (defined by homes priced more than \$500,000). The **Residential Construction Cycle (Coincident) Index**, which measures current construction levels, elevated nationally and within Texas due to improved industry wages, employment, and construction values. Construction activity is expected to remain strong in coming months as indicated by the Texas **Residential Construction Leading Index (RCLI)**, which rose to a record high amid elevated weighted building permits and housing starts as well as a decrease in the ten-year real Treasury bill yield. Although the RCLI indicated increasing activity, the trend flattened as growth rates in building permits and housing starts decelerated. Austin's leading index reflected statewide fluctuations in weighted building permits and residential starts while similarly reaching an all-time high. Houston and San Antonio indexes increased even as weighted permits decreased in both metros. The leading index in North Texas flattened as weighted building permits and residential starts decreased. Despite the differences between major metros, the metrics suggested steady construction in the coming months. (For additional housing commentary and statistics, see [Texas Housing Insight](#) at recenter.tamu.edu.)

The **West Texas intermediate (WTI) crude oil spot price** climbed to \$74 per barrel, representing a year-to-date increase of \$28. An increase in consumption led to OPEC+ deciding to ease production cuts starting in 2Q2021, an action that addressed current concerns regarding reduced oil inventory. Oil prices are expected to flatten as the hike in production should exceed growth in global consumption. Texas' **active rig count** increased to 219 after crude oil production elevated to 4.84 million barrels per day in May⁴, still well below its peak of 5.34 million barrels per day in January 2020. Natural gas prices also trended upward with the **Henry Hub spot price** reaching \$3.54 per million British thermal units (BTUs). Natural gas prices are expected to rise based on projected growth in liquefied natural gas exports and increasing natural gas consumption.

² 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.

³ The release of Texas mortgage rate data typically lag the *Texas Housing Insight* by one month.

⁴ The release of crude oil production typically lags the *Outlook for the Texas Economy* by one month.

Texas **nonfarm employment** added 55,800 jobs in June, rising 4.4 percent SAAR. Based on the state's solid employment performance, the Dallas Fed is forecasting annual employment to increase 5.6 percent in 2021, reaching 13 million workers by December. Texas' **unemployment rate** decreased to 6.5 percent, still greater than the national rate of 5.9 percent. The size of the state's labor force expanded while the **labor force participation rate** remained fixed at 62.2 percent. Texas' major metros reported lower unemployment rates than the statewide average except in Houston where joblessness fell to 7.1 percent. Unemployment inched down to 6.2 percent in Fort Worth and fell similarly in San Antonio and Dallas to 6 and 5.9 percent, respectively. Joblessness remained lowest in Austin, where unemployment slid to 4.9 percent.

The number of Texans filing **initial unemployment insurance claims** decreased 23 percent in June despite surging to 24,934 in the last week of the month (Figure 1). Initial claims at the metropolitan level reflected statewide fluctuations (Figure 2). The increase coincided with Texas' decision to opt out of further federal unemployment assistance. Administrative/support/waste management/remediation services registered the highest number of initial claims in the week ending July 3. On the other hand, Texas' average weekly **continued unemployment insurance claims** fell 17.4 percent in June as record job openings indicated strong labor demand. Nevertheless, employment remained below pre-COVID levels due to factors involving in-person schooling, daycare closures, and early retirement affecting the transition from unemployment to employment.

Texas' average **real private hourly earnings** flattened year over year (YOY), despite reaching a record high in nominal terms. Recent hiring in leisure/hospitality and accommodation/food services, which typically pay lower than the overall average, may be weighing on the statewide average. The average wage in North Texas exceeded the U.S. rate (\$30.22), paying \$30.69 in Fort Worth and \$32.18 in Dallas. Austin's hourly earnings (\$30.43) exceeded the national average despite falling 4.4 percent YOY. Real wages declined 1.5 percent in San Antonio (\$26.09) but were roughly unchanged in Houston (\$29.08) compared with year-ago levels.

Hiring in Houston slowed during the second quarter, recovering 19,600 jobs compared with the 33,700 positions added during the first quarter. Houston payrolls remained 5.4 percent below pre-pandemic levels, a larger gap than the other major metros. Dallas added 33,400 employees in the second quarter, the highest number of job gains of the four major MSAs. San Antonio and Austin registered quarterly increases of 9,800 and 9,400 workers, respectively. Payroll expansions across the major metros were largely concentrated in the leisure/hospitality, professional/business services wholesale trade, government, and education/health services industries. Employment declined only in Fort Worth, which shed 1,000 positions during the second quarter as global supply chains negatively affected the manufacturing industry. Goods-producing employment decreased due to falling construction jobs.

Texas' goods-producing sector lost 15,600 jobs during the second quarter despite registering two straight monthly increases. Amid increasing oil prices, energy-related employment rose by 2,300 jobs in the second quarter but remained around a fifth below year-ago levels. Recovering global economic conditions supported the state's manufacturing industry, which added 4,900 employees.

Durable-goods payrolls recorded a 4,100-job gain during the second quarter. Production of manufactured homes accelerated in June according to the Texas Real Estate Research Center's **Texas Manufactured Housing Survey**, contributing to increased business activity. Plant activity chipped away at backlogs that bottled up over the past year amid moderating sales volume. Manufacturers expanded payrolls to boost activity, but hiring was hindered by on-going labor-supply challenges that drove wages and incentives upward. Amid strong labor demand, **average hourly manufacturing earnings** rose 5.5 percent YOY after adjusting for inflation, while the **Dallas Fed's Manufacturing Outlook Survey** corroborated labor-market data, specifically wage gains, supply issues, and strong demand. The survey's production index rose 14 points, indicating healthy output growth. All business indicators except finished goods inventories and capital expenditures increased. Outlook uncertainty increased for the second straight month as business executives voiced concerns surrounding persistent shortages in labor and materials adversely impacting business operations.

Construction payrolls fell last quarter, shedding 22,900 quarterly jobs mostly in commercial projects. The decline in higher-paying nonresidential jobs pulled the **average hourly construction earnings** (\$27.97) down 5.8 percent YOY after adjusting for inflation. **Total construction values** dipped for the third consecutive month, remaining unchanged compared with first quarter values. The YTD sum, however, reached double-digit growth, increasing 10.2 percent compared with 1Q2020 levels. The value of apartment groundbreakings soared 21.6 percent in 2Q2021, while single-family values grew 2.4 percent QOQ and duplex construction declined 5.7 percent QOQ. Nonresidential construction fell behind last quarter's pace with substantial reductions in warehouse and hotel values. Austin mirrored statewide nonresidential construction changes, while the loss in DFW was concentrated in library/museum and hotel values. Lower warehouse, school, and library construction values attributed to the decline in commercial activity in Houston and San Antonio.

Texas' service-providing sector continued to recover jobs lost due to the pandemic that closed the economy. After adding 128,500 jobs in the second quarter, the service sector was the hardest-hit major industry with employment 2 percent below pre-pandemic levels. Leisure/hospitality recouped 58,000 jobs in 2Q2021, but arts/entertainment/recreation payrolls remained almost a fifth below pre-pandemic levels. On the other hand, the transportation/warehousing/utilities industry added 11,300 positions, surpassing pre-pandemic employment by 1.2 percent. The **Dallas Fed's Service Sector Outlook Survey** reported moderate hiring and revenue growth in June, but strong quarterly numbers preserved the 11-month positive trend for both indicators. Respondents remained optimistic regarding future business activity as vaccination rate increases, ongoing booster shot rollouts, and repealed business restrictions contributed to the current optimism. Anecdotal evidence from the survey's comments section pointed to a labor force unable to match current demand. Rising prices weighed on expectations of future activity and company outlook more broadly.

Texas retailers added 3,200 workers over the past three months, mostly in motor vehicle/parts dealers, clothing stores, and miscellaneous store retailers. On the other hand, hiring declined in food/beverage stores and general merchandise stores after expanding in the first quarter.

Inflation-adjusted retail sales flattened in June, declining 0.5 percent on a monthly basis from a record-high the previous month and decelerating 11.4 percent YOY. The **Dallas Fed's Retail Outlook Survey** corroborated depressed retail sales activity as the sales index remained negative for the second consecutive month as inventories fell to an 11-month low. In response to historically low inventories, over 60 percent of business executives reported increases in input and selling prices. Retailers, however, communicated future optimism as business indicators remained at relatively high levels, extending a year-long improvement of underlying indexes.

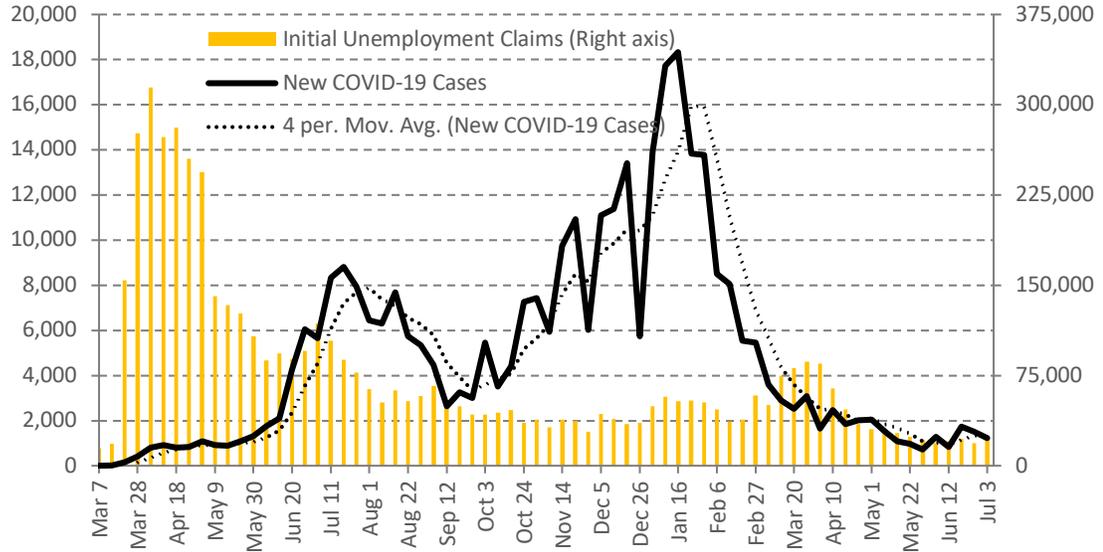
Fueled by supply-side bottlenecks, the **U.S. Consumer Price Index (CPI)** accelerated 5.4 percent annually as transportation prices shot up 21.2 percent relative to last year. Despite the higher reading in June, the CPI's yearlong average was 2.2 percent, only slightly above the Federal Reserve's average target rate of 2 percent over time. Core inflation, which excludes food and energy, rose at its greatest pace since November 1991, climbing 4.5 percent and accounting for nearly one-third of the total increase relative to year-ago levels amid supply shortages for used vehicles. Similar fluctuations in the components of Houston's CPI resulted in annual growth of 4.6 percent overall and 3.1 percent less food and energy.

The **Texas trade-weighted value of the dollar**⁵ depreciated in May, falling 9.4 percent YOY. Texas' **real commodity exports** reached a record high in June, rising 8.4 percent QOQ compared to 4.4 percent nationally. A considerable amount of the quarterly improvement was due to rebounding oil/gas shipments to Singapore, South Korea, and India. Total **crude oil exports** skyrocketed 36.2 percent in real terms during the second quarter, elevating 89 percent relative to 2Q2020 values. Quarterly inflation-adjusted **manufacturing exports** accelerated 10.1 percent as transportation equipment shipments and energy-related export values soared.

The Center created a Texas weekly leading index to predict turning points in the Texas economy. (For more information, see *Texas Weekly Leading Index* at <https://www.recenter.tamu.edu/articles/special-report/COVID-19-Impact-Projections>.) The index decreased during the week ending July 3 after increasing substantially the previous week (Figure 3). The index's decrease was mainly due to an increase in the number of people filing for unemployment insurance and a decrease in the number of new business applications. Even though the number of new business applications fell, the number remains high, signaling future business activity remains strong. The index has been gathering impetus and is pointing toward higher future economic activity as the reopening of the economy continues and uncertainty regarding the pandemic dissipates due to increasing vaccination rates.

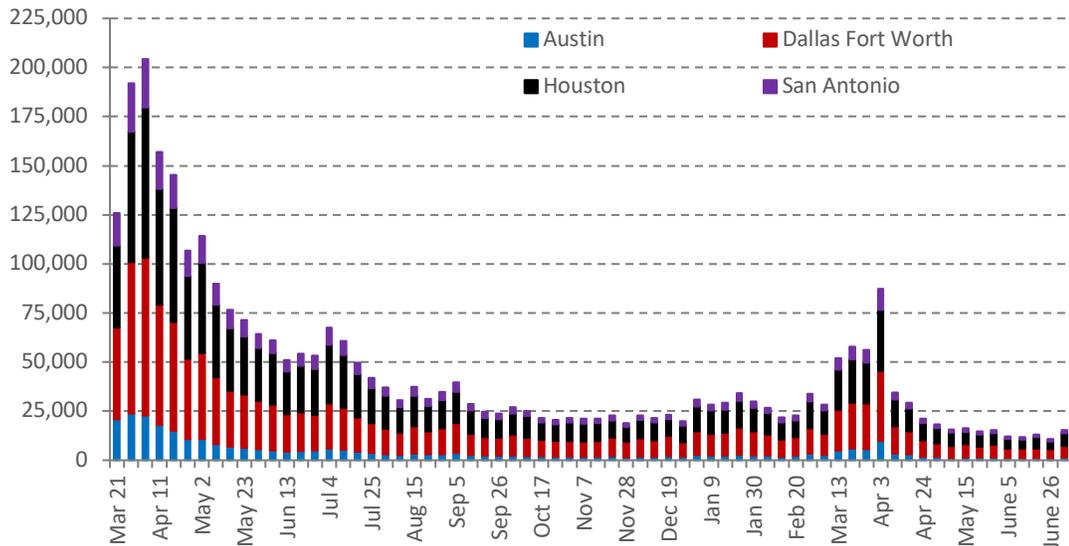
⁵ The release of the Texas trade-weighted value of the dollar typically lags the *Outlook for the Texas Economy* by one month.

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



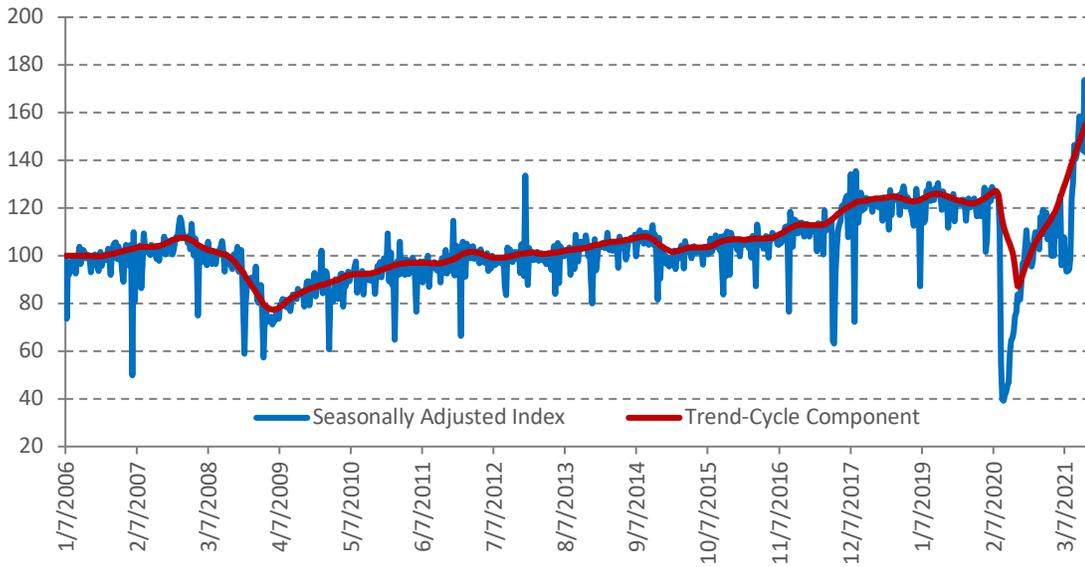
Note: Initial unemployment claims are seasonally adjusted.
 Source: Texas Workforce Commission, U.S. Department of Labor Employment and Training Administration, Texas Real Estate Research Center at Texas A&M University calculations, and <https://github.com/nytimes/covid-19-data/blob/master/us-counties.csv>.

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



Note: Seasonally adjusted.
 Source: 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)

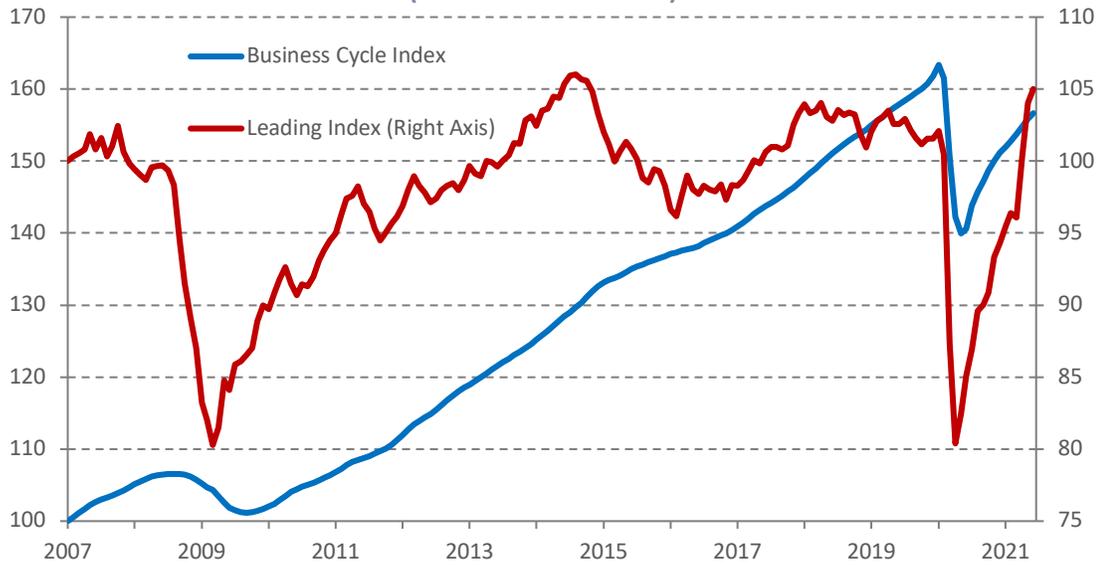


Note: Data through July 3, 2021.
Source: Texas Real Estate Research Center at Texas A&M University



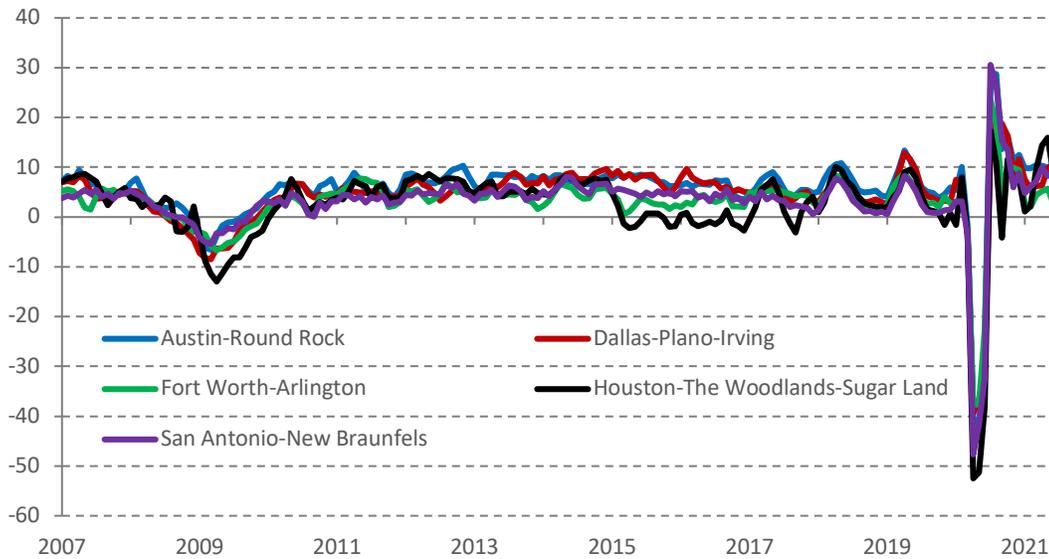
Economic Activity

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



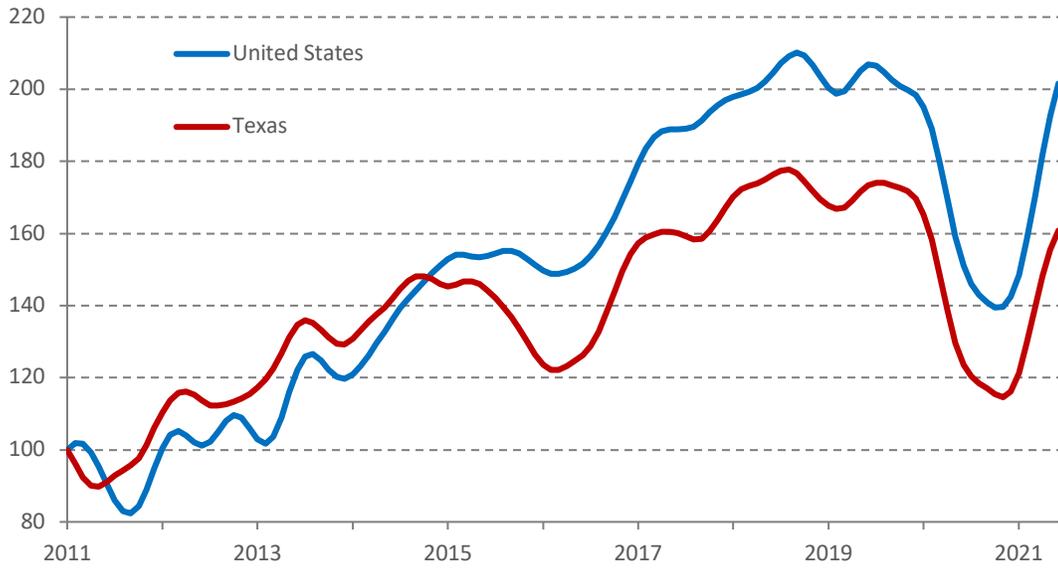
Note: Seasonally adjusted. For more information, see [Texas Business Cycle Index](#).
Source: Federal Reserve Bank of Dallas

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



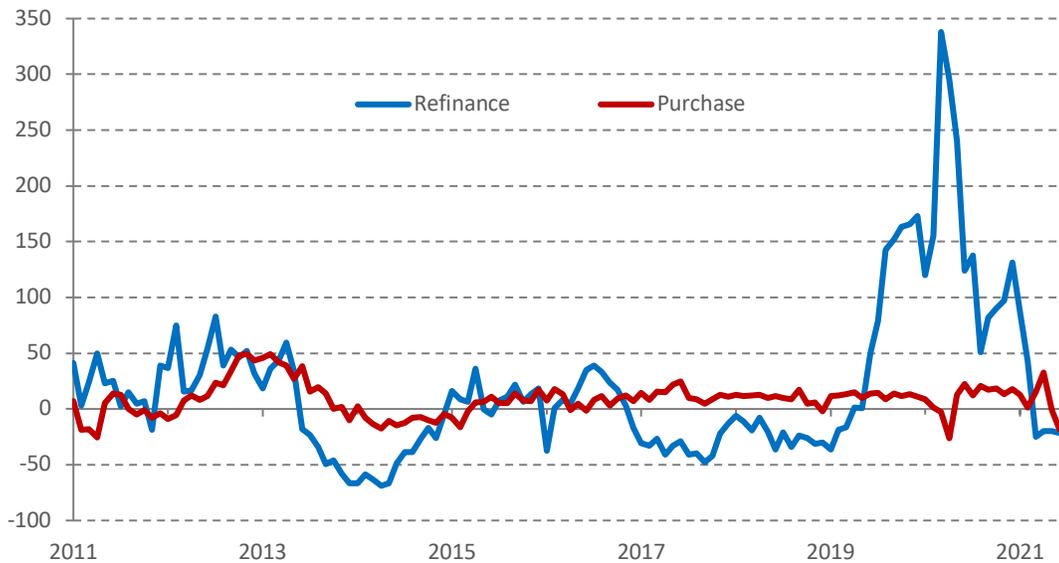
Financial Activity

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



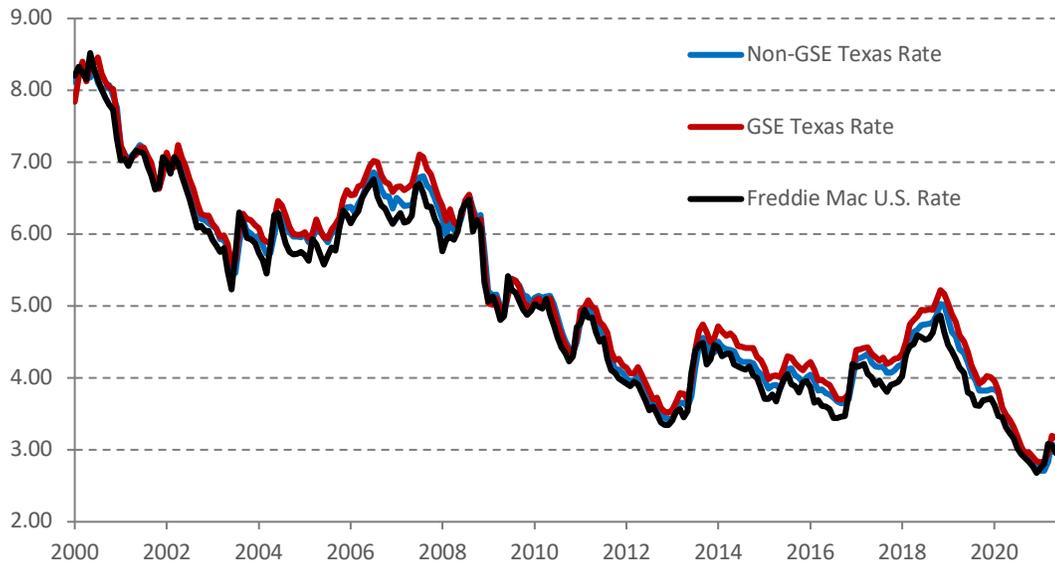
Note: Nonseasonally adjusted.
Sources: Federal Home Loan Mortgage Corporation and Federal Reserve Board

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



Note: Seasonally adjusted.
Source: Mortgage Bankers Association

Fixed 30-Year Mortgage Rates (Percent)

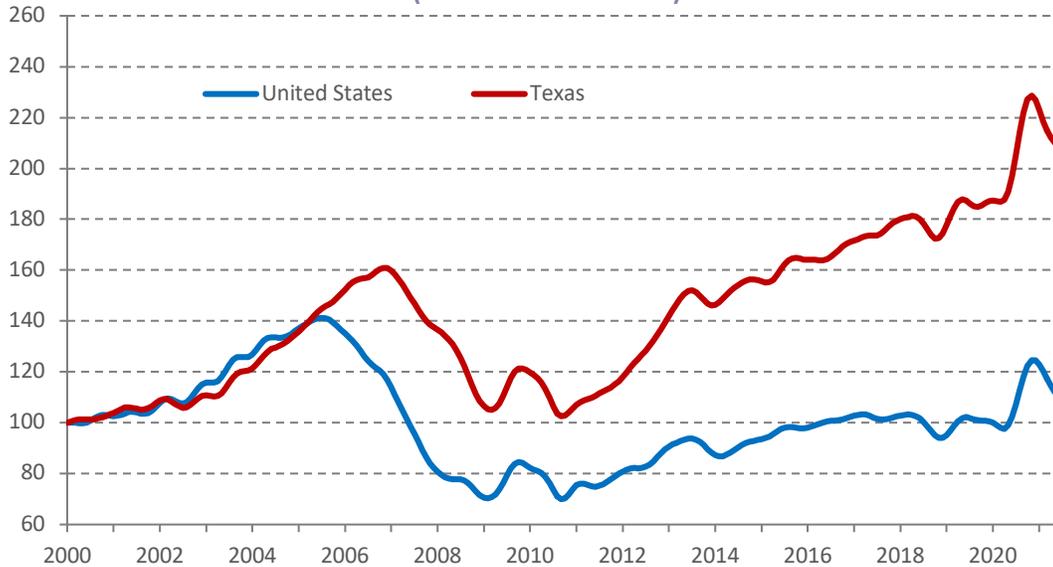


Note: Nonseasonally adjusted. The data for the most recent origination month is preliminary.
Sources: Federal Home Loan Mortgage Corporation and TrueStandings Servicing



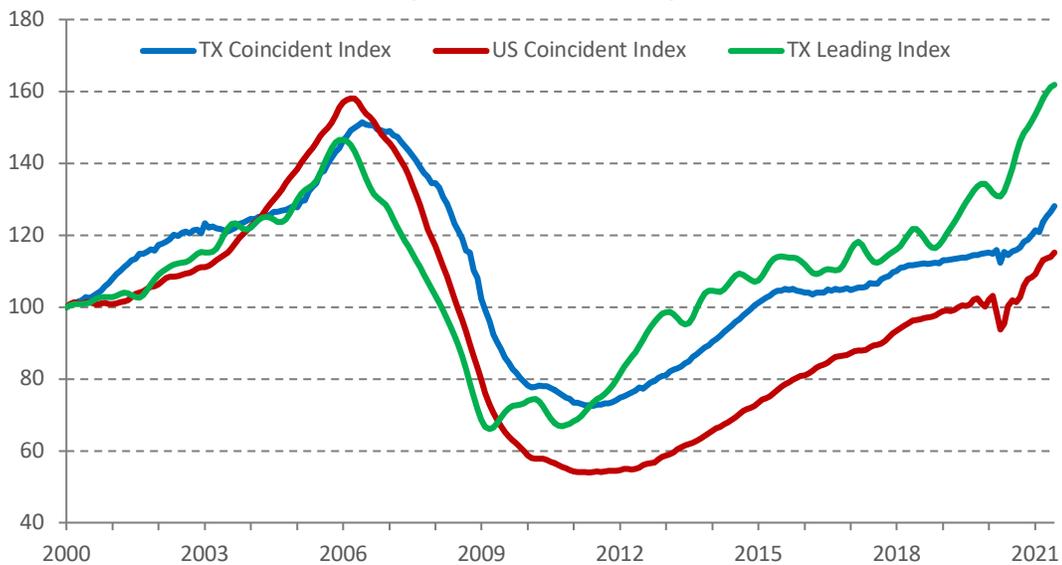
Housing

Housing Sales (Index Jan 2000 = 100)



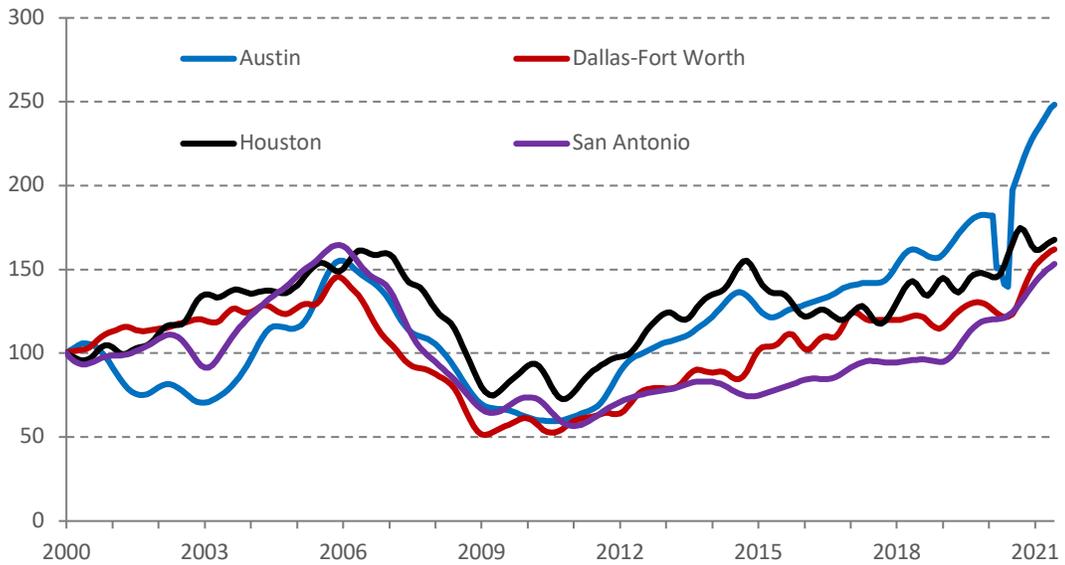
Note: Trend-cycle component. Sales for the United States include all existing homes and new single-family homes; new non-single-family homes are not included. Texas includes all existing and new homes. For more information, see [Housing Sales](#).
Sources: U.S. Census Bureau, National Association of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

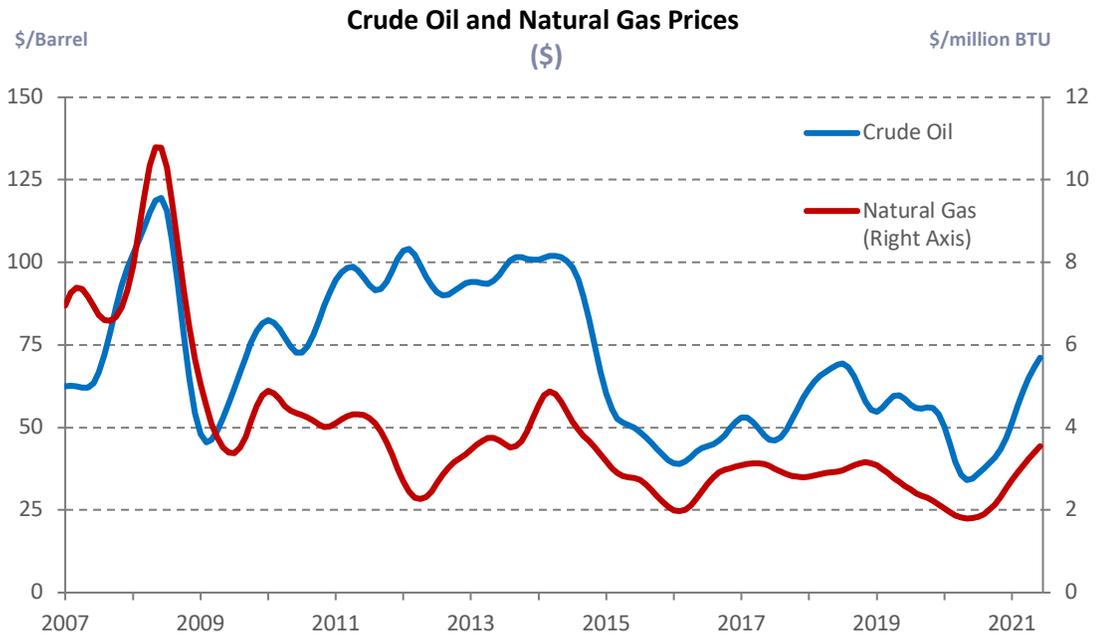


Note: Trend-cycle component.

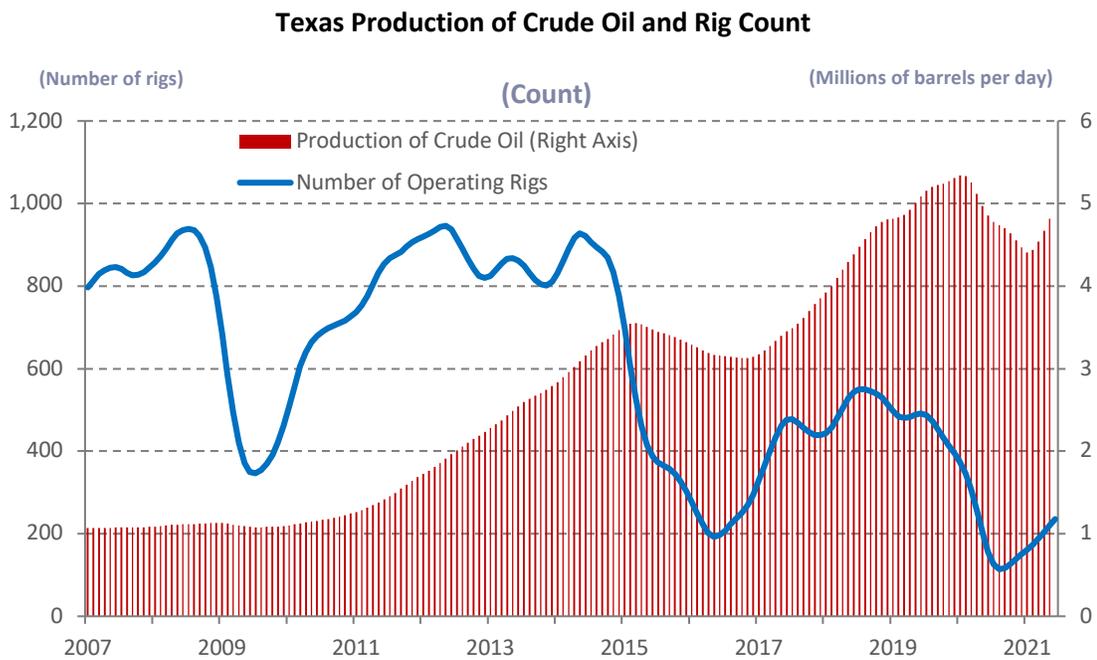
Sources: Texas Real Estate Research Center at Texas A&M University and Federal Reserve Bank of Dallas



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

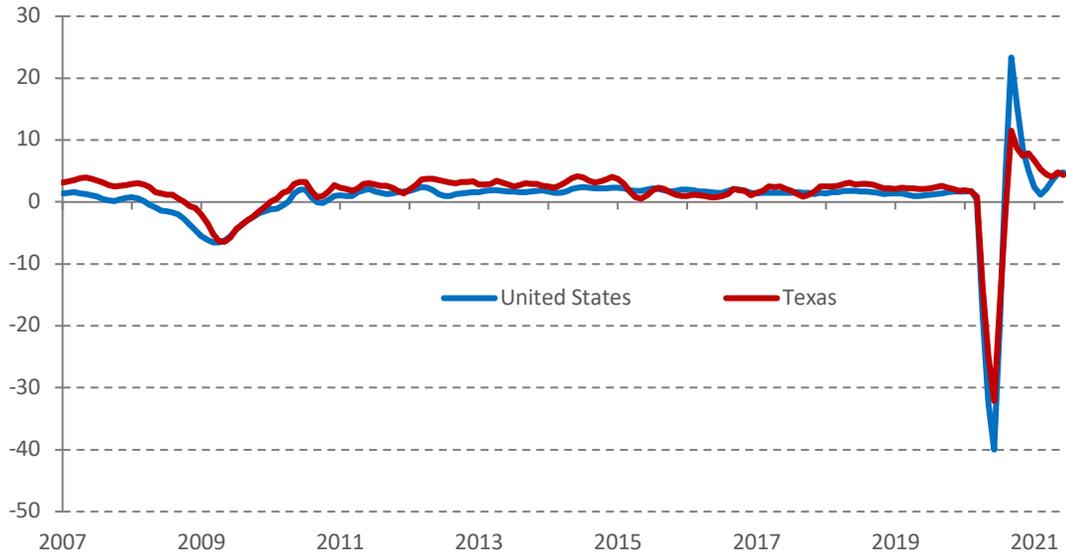


Note: Trend-cycle component. For more information, see [Texas Production of Crude Oil and Rig Count](#).
 Sources: Baker Hughes and U.S. Energy Information Administration



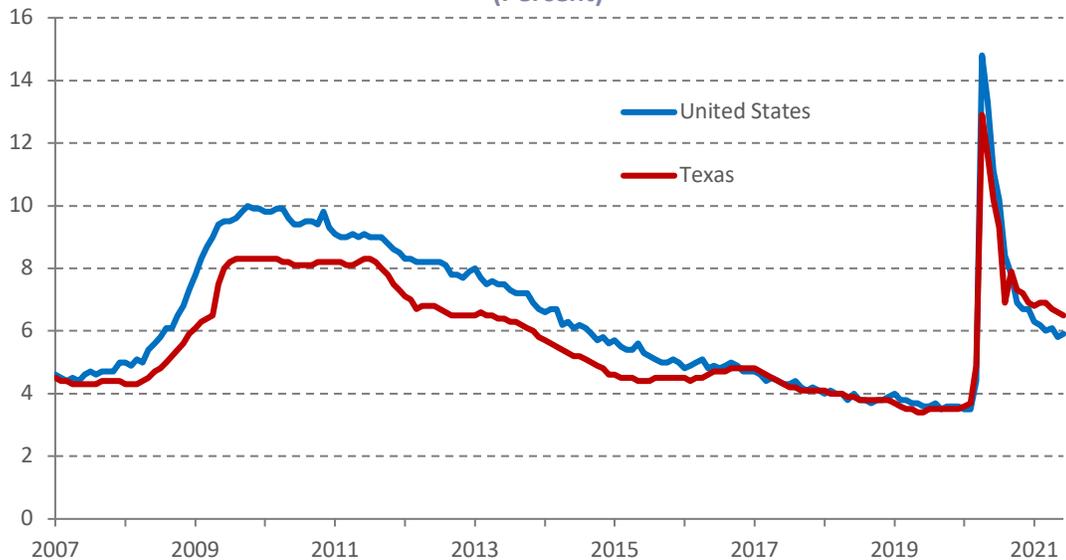
Employment

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



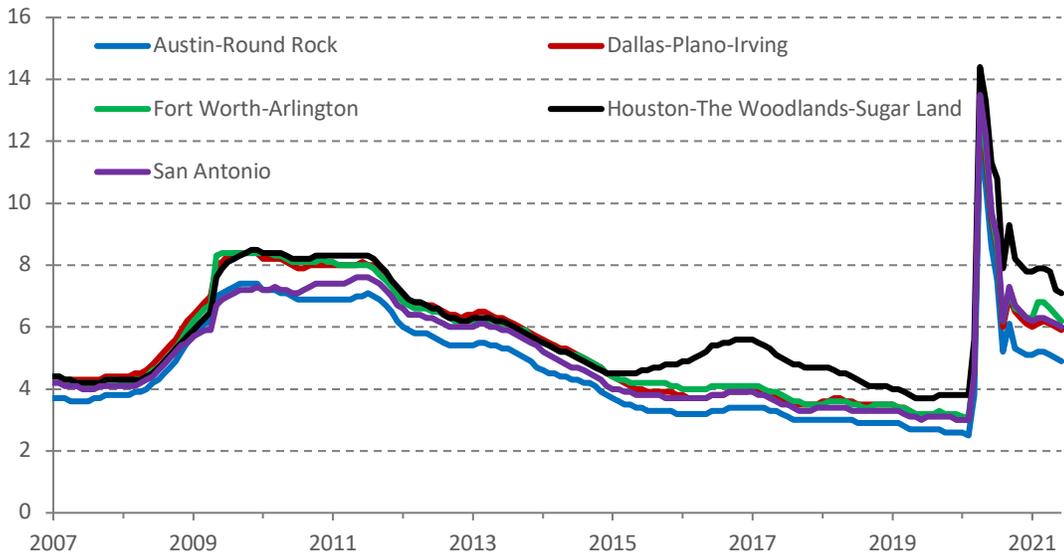
Note: Seasonally adjusted, three-month moving average. June 2021 is preliminary. For more information, see [Employment Growth Rate](#).
Source: Bureau of Labor Statistics

Unemployment Rate (Percent)



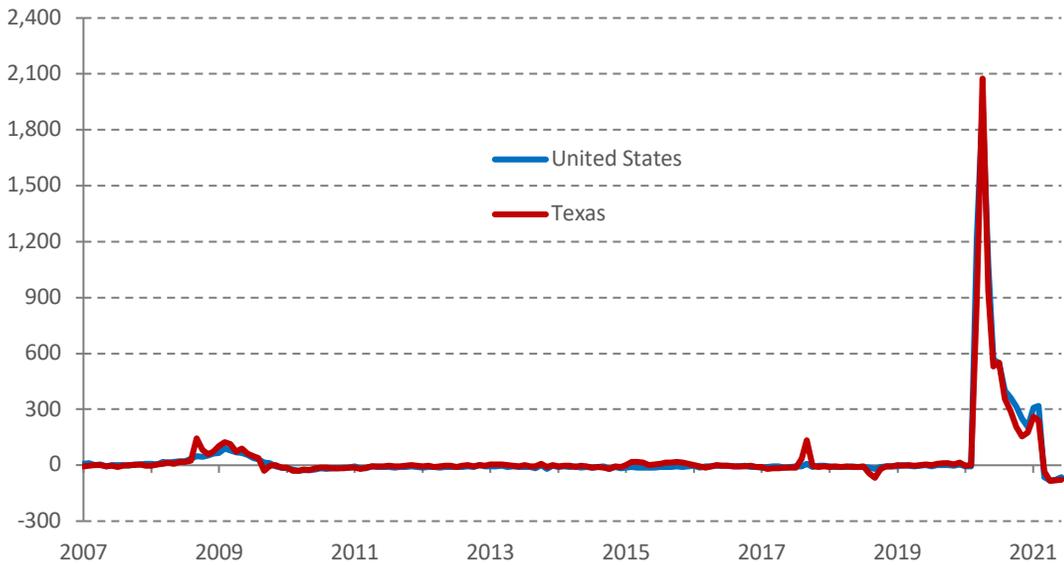
Note: Seasonally adjusted. June 2021 is preliminary. For more information, see [Unemployment Rate](#).
Source: Bureau of Labor Statistics

Major Metros Unemployment Rate (Percent)



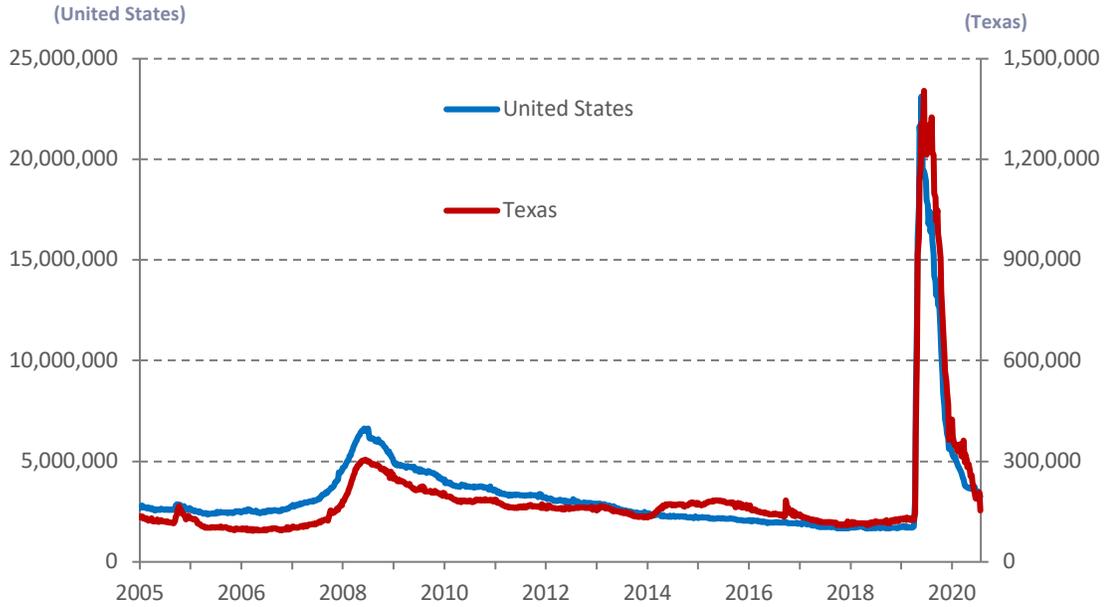
Note: Seasonally adjusted. June 2021 is preliminary. For more information, see [Unemployment Rate](#).
Source: Bureau of Labor Statistics

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



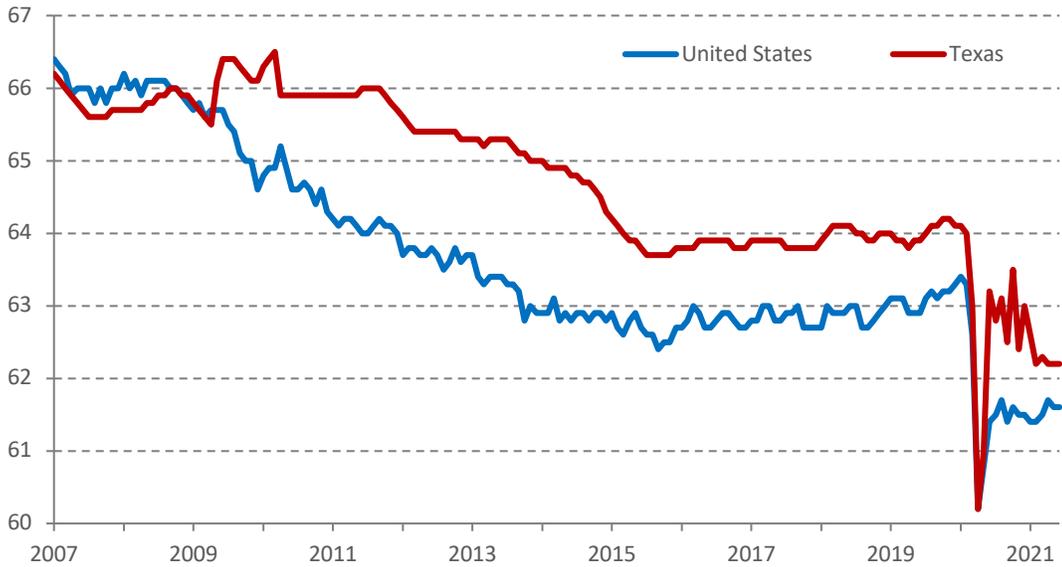
Note: Seasonally adjusted. For more information, see Unemployment Insurance Claims: Initial Applications.
Source: Department of Labor

Unemployment Insurance Claims: Continued Applications



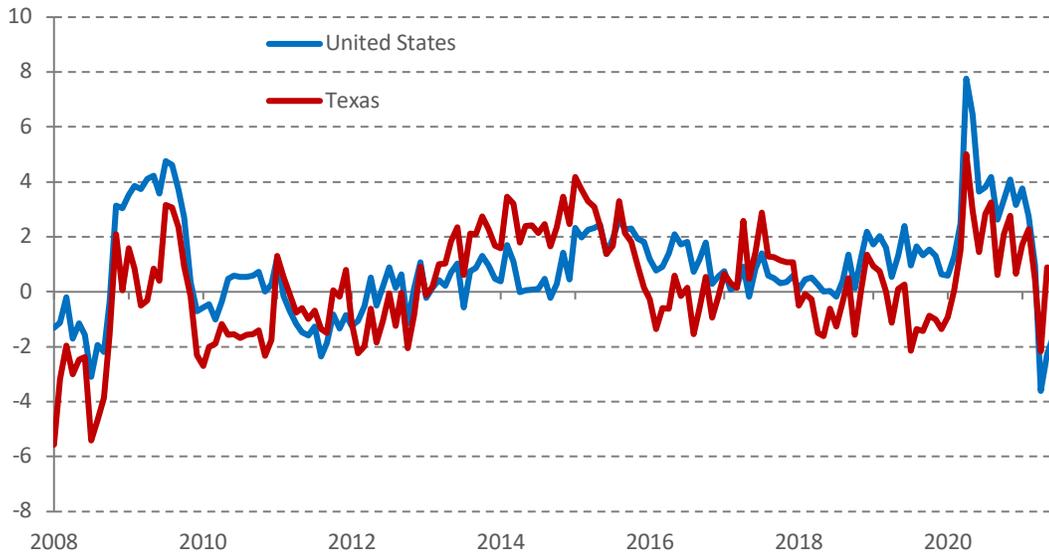
Note: Seasonally adjusted. Average weekly continued claims.
 Source: Department of Labor/Haver Analytics

Labor Force Participation Rate (Percent)



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

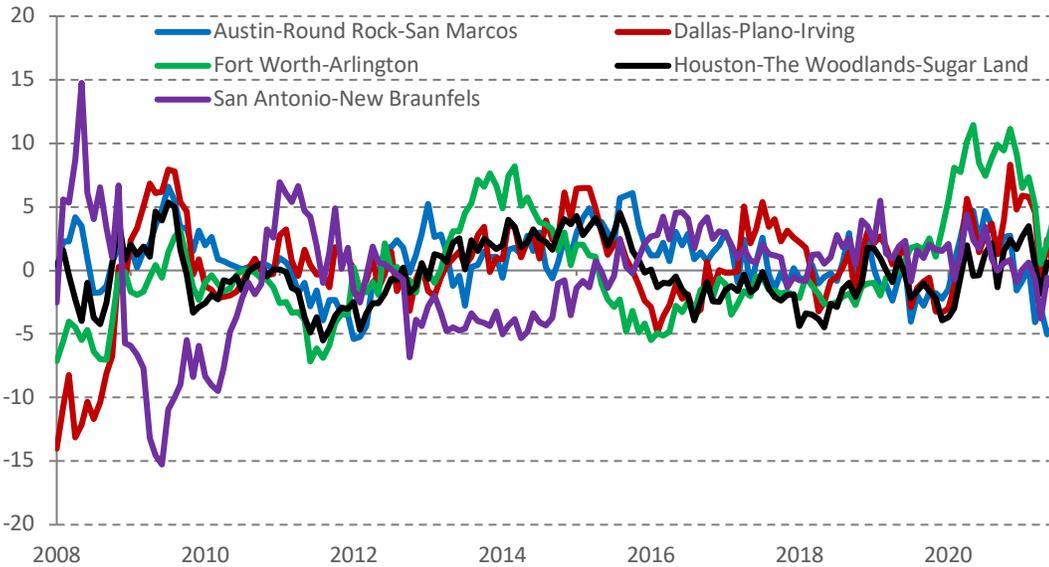
**Total Private Employee Hourly Earnings
(Year-over-Year Percent Change)**



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

Source: Bureau of Labor Statistics

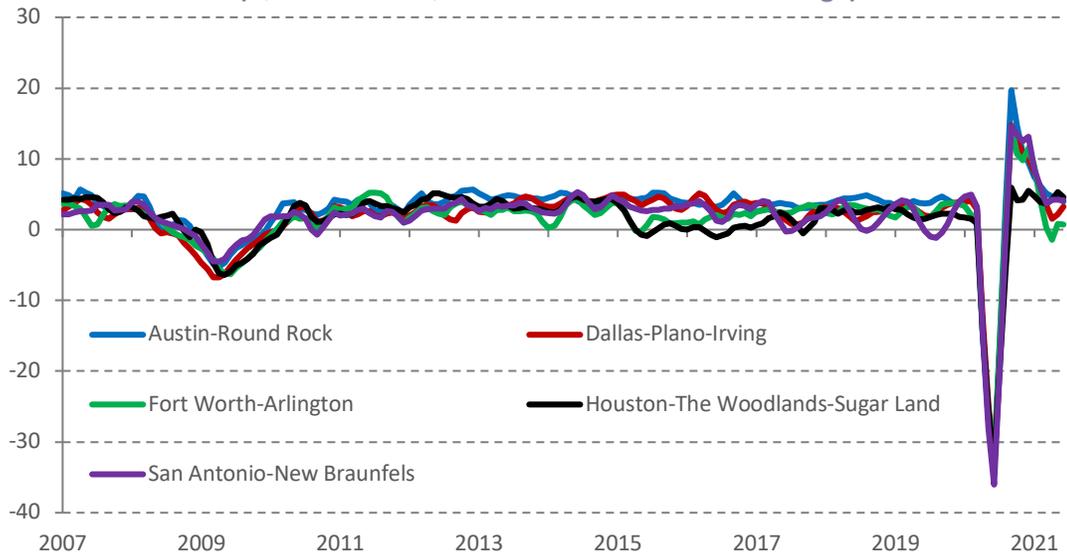
**Major Metros Total Private Employee Hourly Earnings
(Year-over-Year Percent Change)**



Notes: Inflation adjusted, seasonally adjusted. June 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)



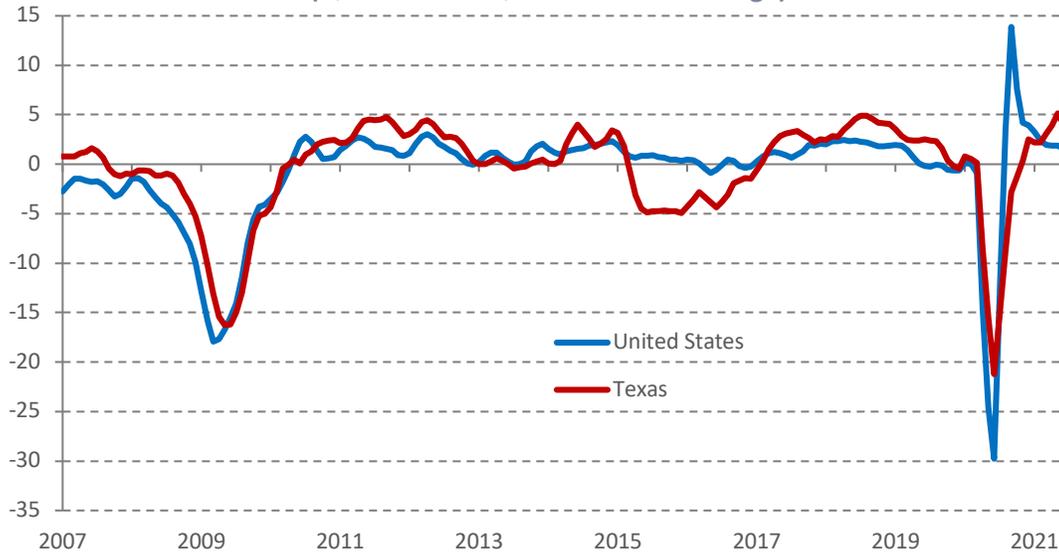
Note: Seasonally adjusted, three-month moving average. June 2021 is preliminary. For more information, see [Employment Growth Rate](#).

Source: Bureau of Labor Statistics



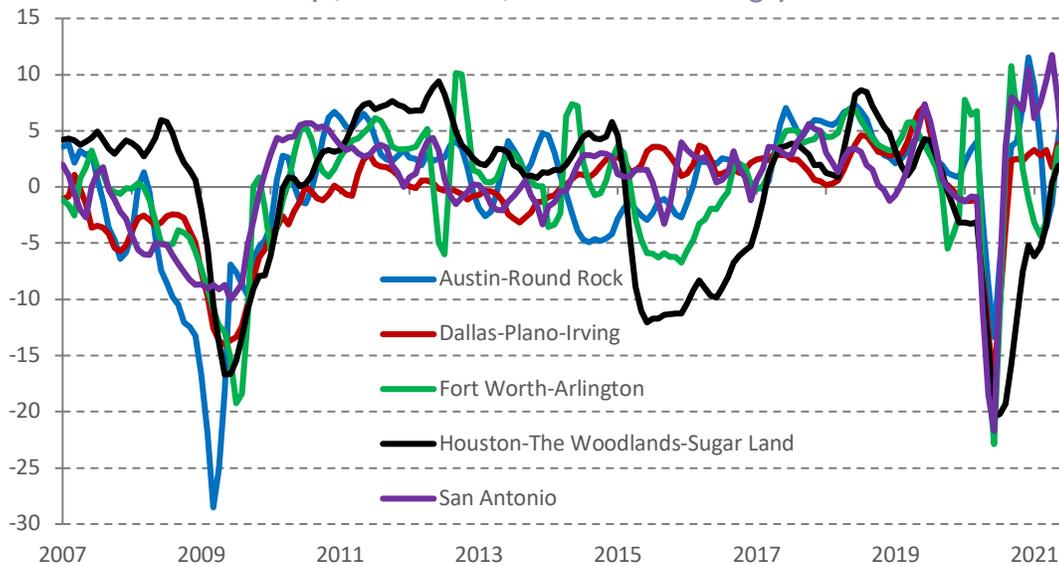
Manufacturing

Manufacturing Employment (Quarter-over-Quarter Percent Change)



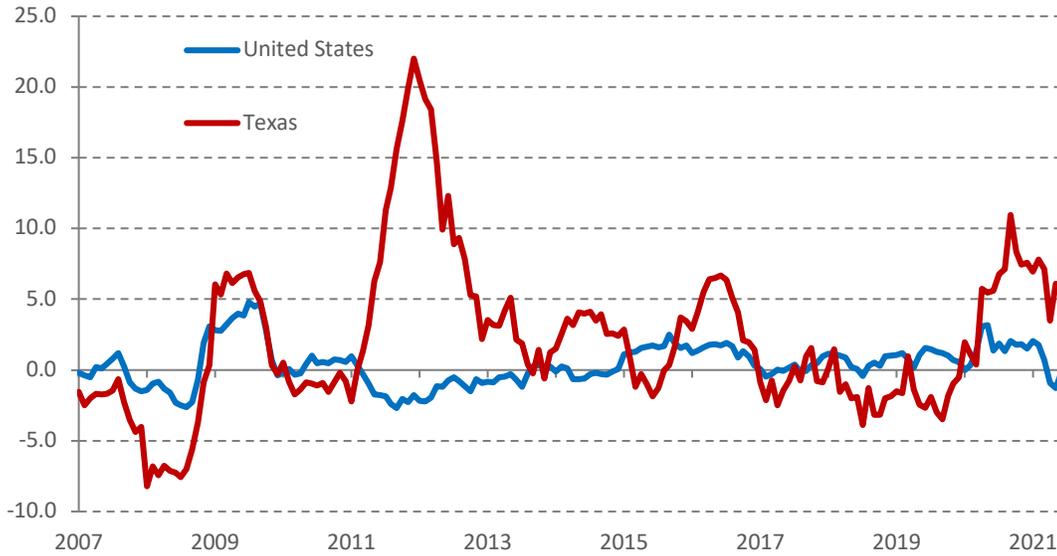
Note: Seasonally adjusted, three-month moving average. June 2021 is preliminary. For more information, see [Employment Growth Rate](#).
Source: Bureau of Labor Statistics

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



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

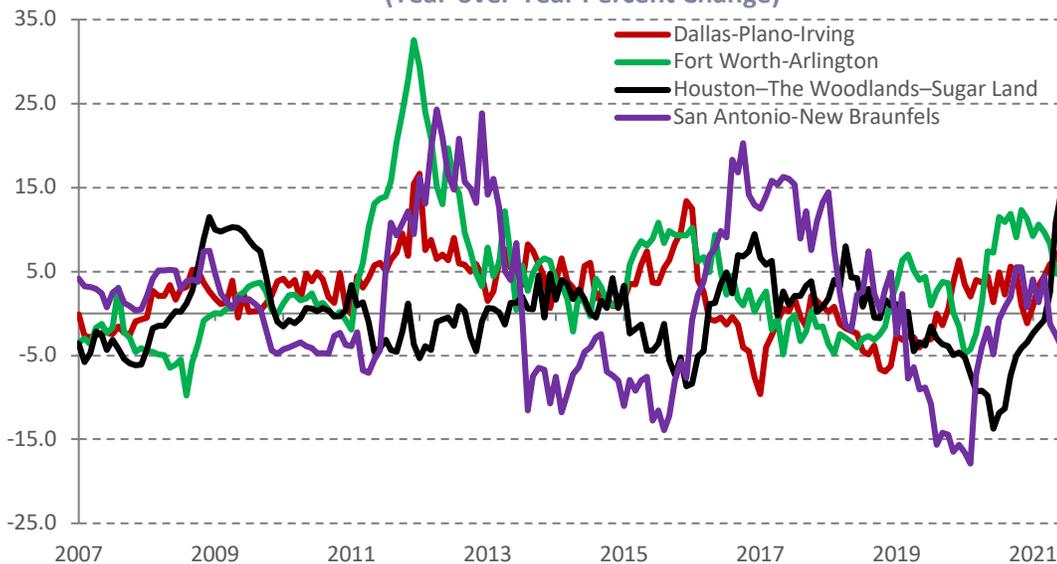
Manufacturing Employee Hourly Earnings (Year-over-Year Percent Change)



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

Source: Bureau of Labor Statistics

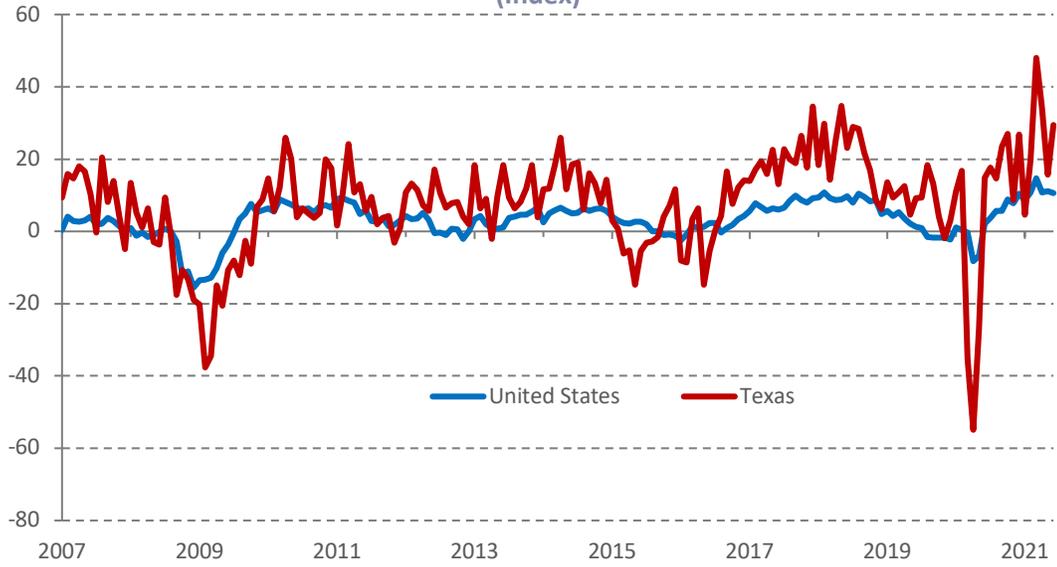
Major Metros Manufacturing Employee Hourly Earnings (Year-over-Year Percent Change)



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

Source: Bureau of Labor Statistics

Manufacturing Outlook Survey (Index)



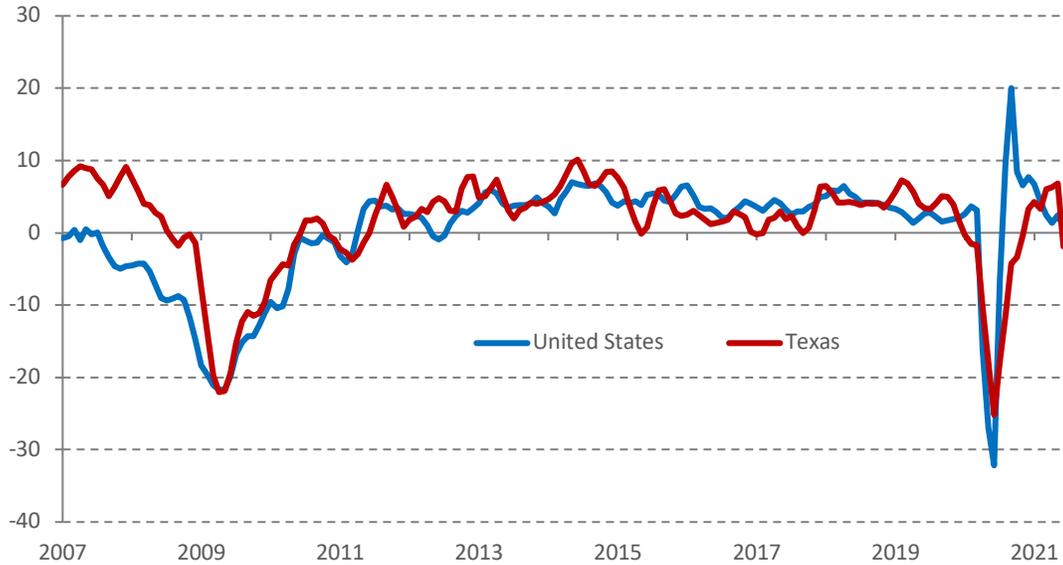
Note: Seasonally adjusted. For more information, see [Manufacturing Outlook Survey](#). United States index is adjusted -50 to be on scale with Texas index.

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



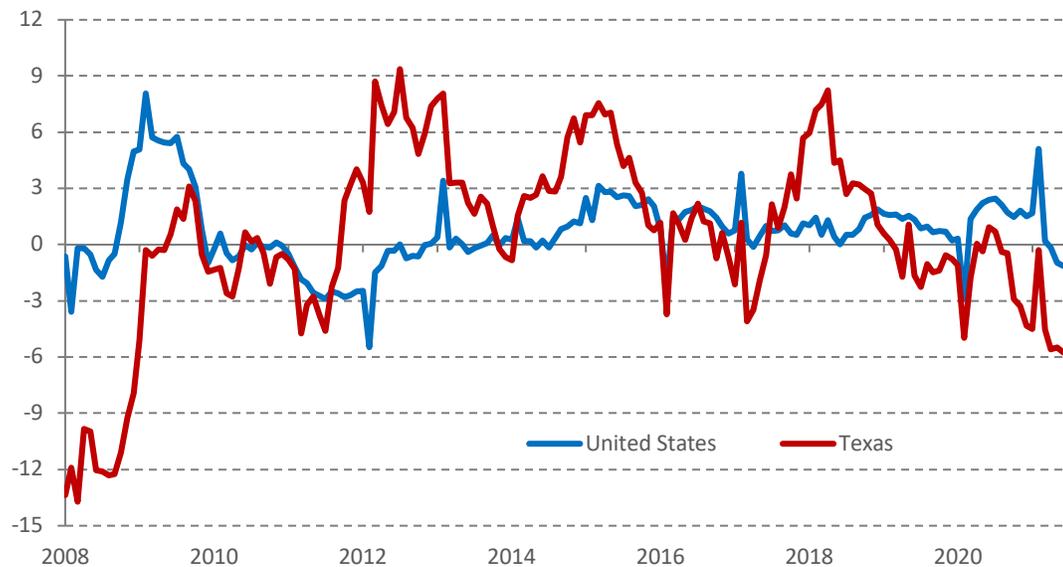
Construction

Construction Employment (Quarter-over-Quarter Percent Change)



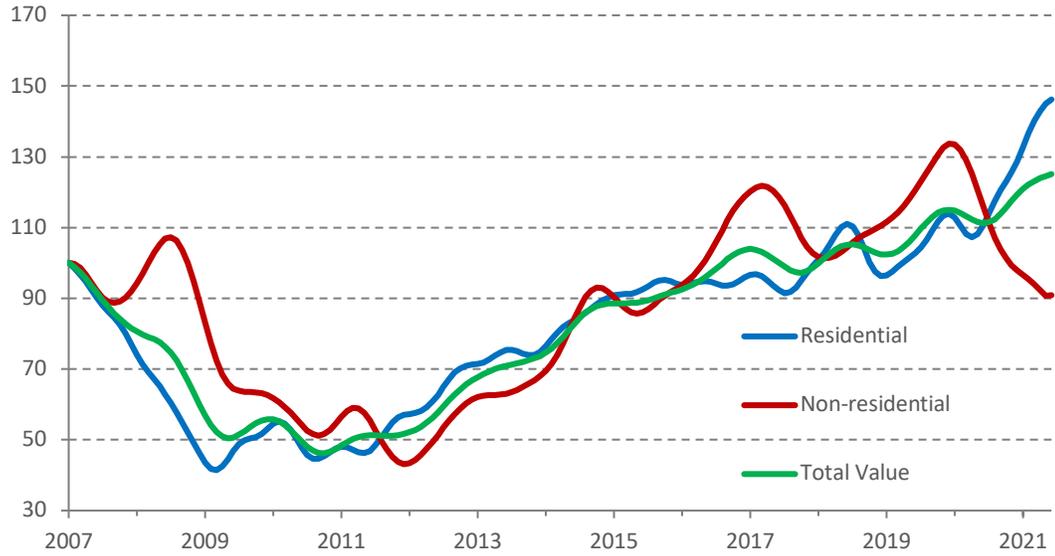
Note: Seasonally adjusted, 3-month moving average. June 2021 is preliminary. For more information, see [Employment Growth Rate](#).
Source: Bureau of Labor Statistics

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



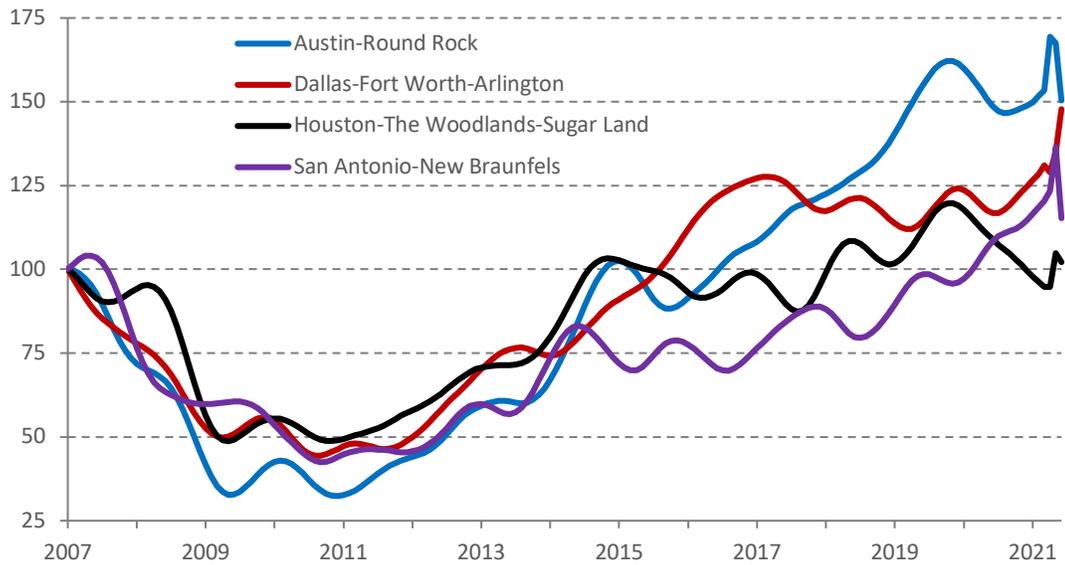
Notes: Inflation adjusted, seasonally adjusted. June 2021 is preliminary. For more information, see [Total Private Employee Hourly Earnings](#).
Source: Bureau of Labor Statistics

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)

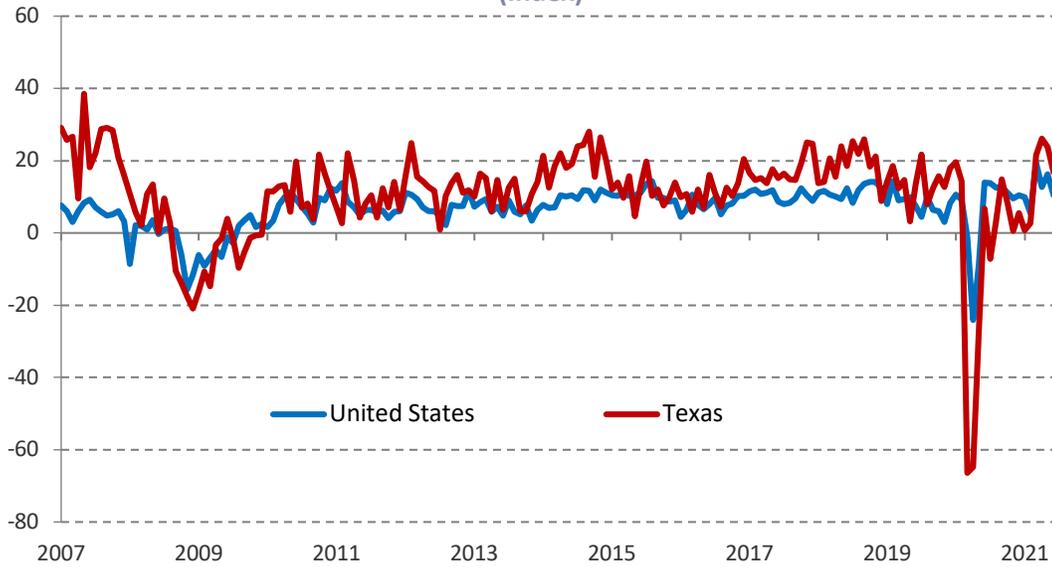


Note: Inflation adjusted Trend-cycle component.
Source: Dodge Analytics



Services

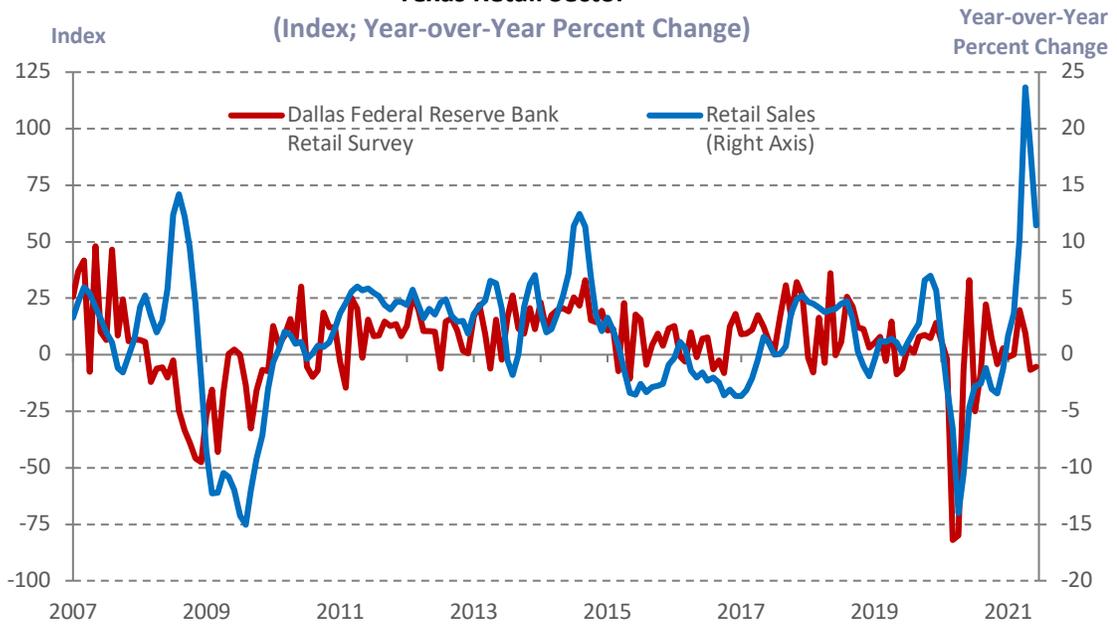
Services Sector Outlook Survey (Index)



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

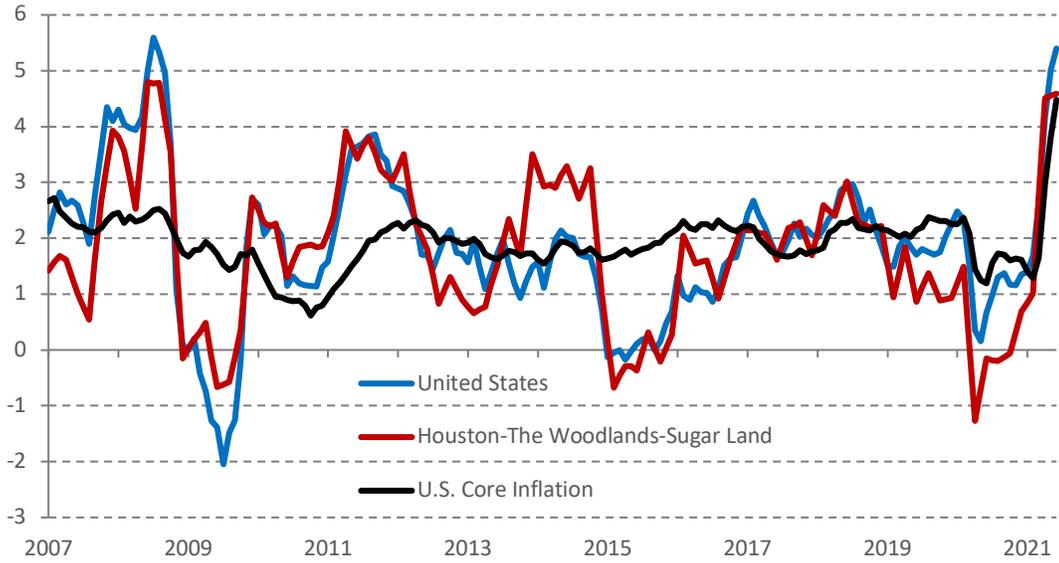
Texas Retail Sector (Index; Year-over-Year Percent Change)



Note: Seasonally adjusted and inflation adjusted. For more information, see [Texas Retail Sector](#).

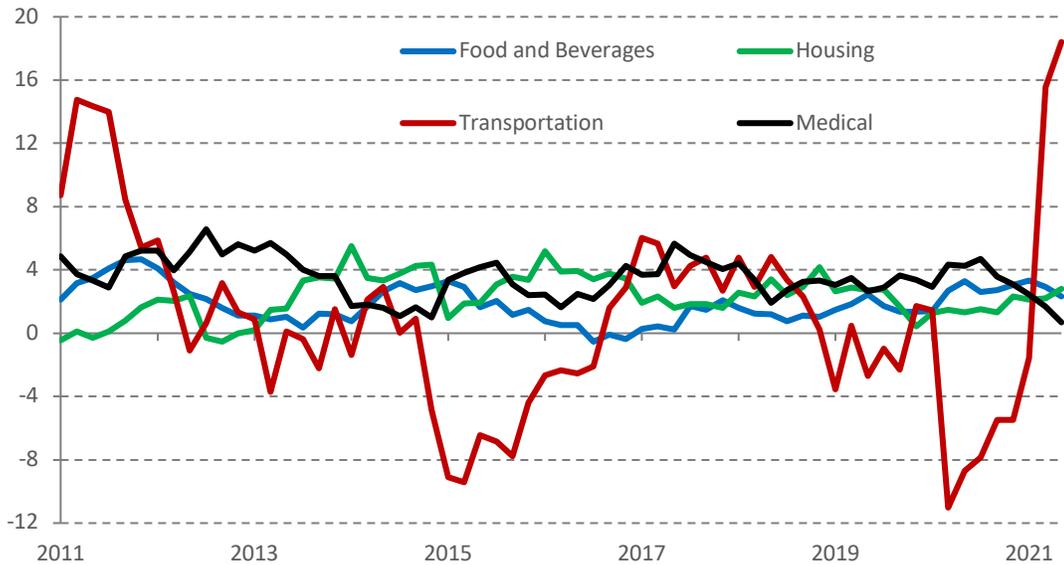
Sources: Retail Sector Outlook Survey from the Federal Reserve Bank of Dallas, Retail Sales from Texas Comptroller of Public Accounts

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 (Houston Components) (Year-over-Year Percent Change)

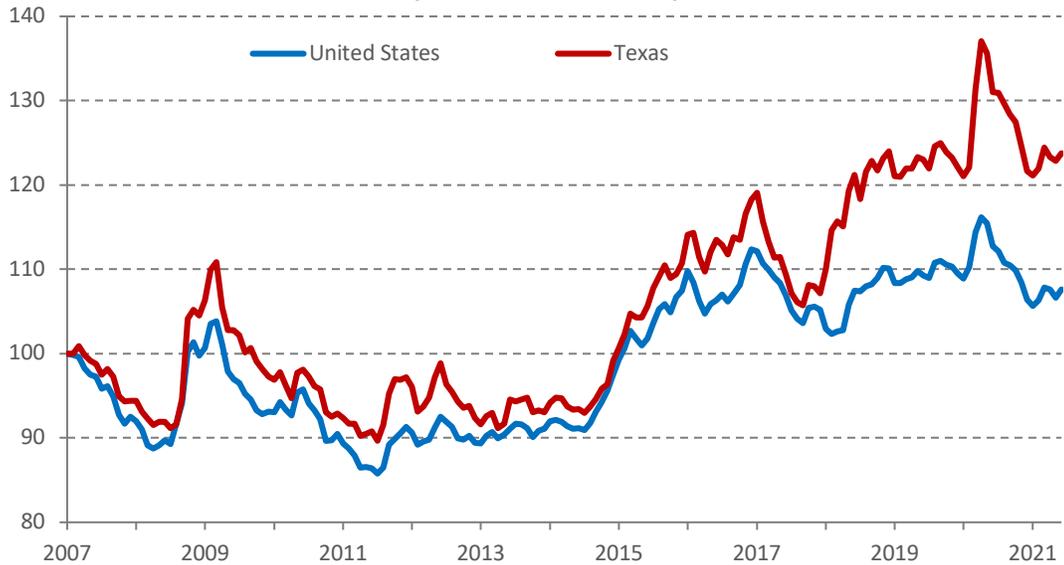


Note: The Houston CPI is composed of the following major groups: Food and Beverages, Housing, Apparel, Transportation, Medical Care, Recreation, Education and Communication, and Other Goods and Services. The four major components are included in the graph above.
Source: Bureau of Labor Statistics



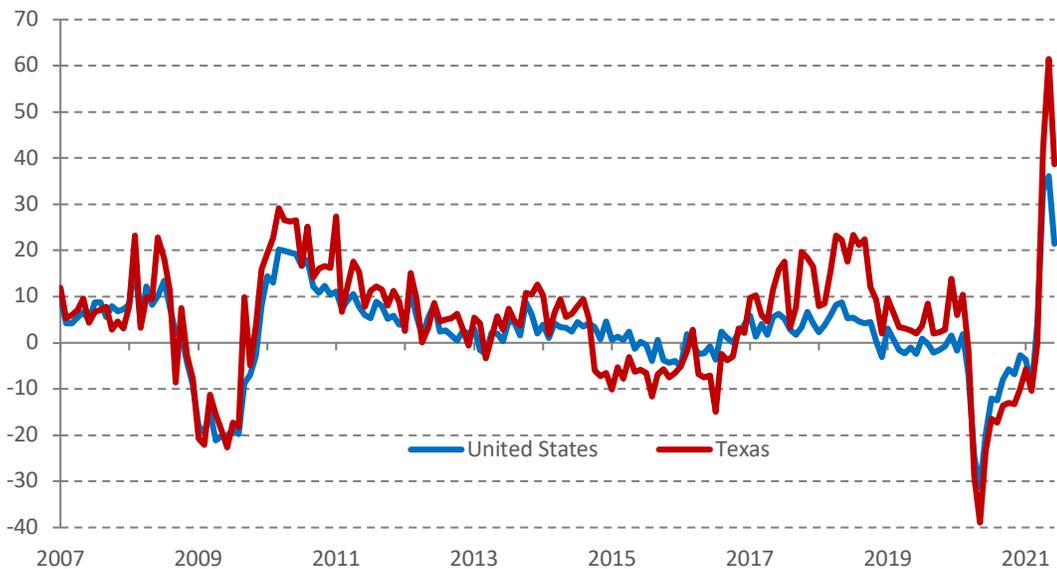
Trade

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



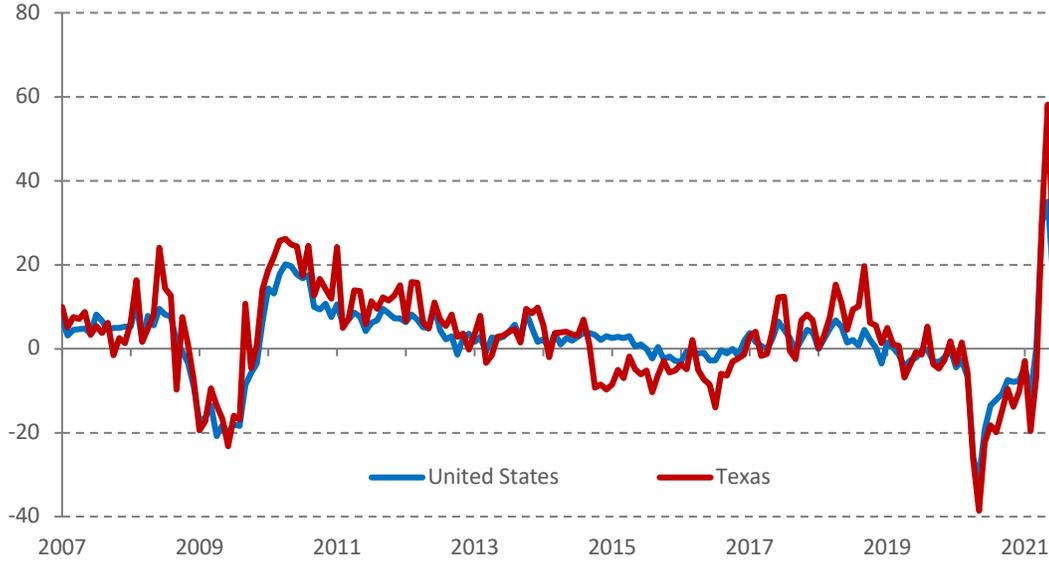
Note: For more information, see [Real Trade Weighted Value of U.S. Dollar](#).
Sources: Federal Reserve Bank of Dallas and Federal Reserve Bank of St. Louis

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



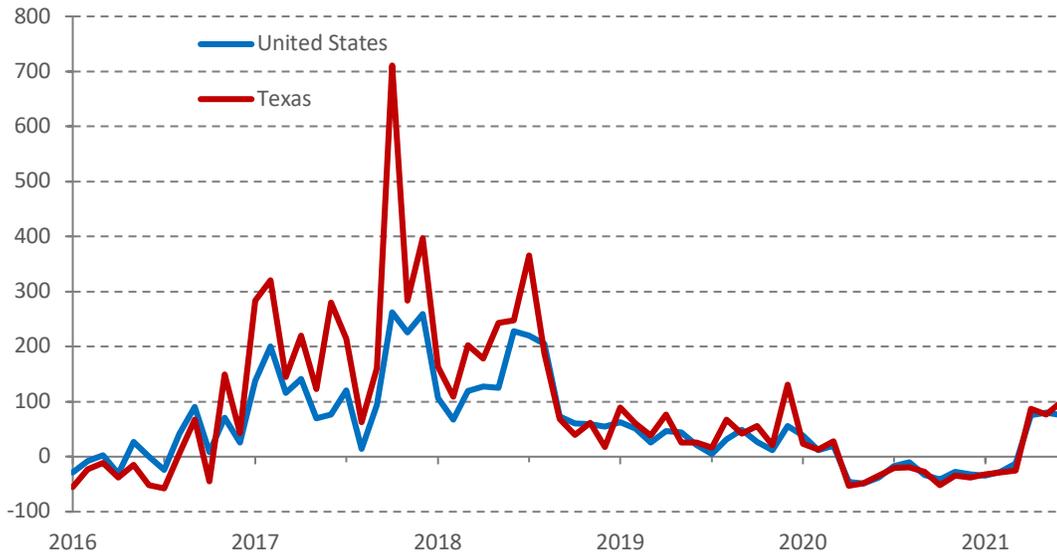
Note: Seasonally adjusted. Inflation adjusted with Bureau of Labor Statistics export indexes. For more information, see [Exports](#).
Sources: International Trade Administration, Foreign Trade Division, and U.S. Census Bureau

Manufacturing Exports (Year-over-Year Percent Change)



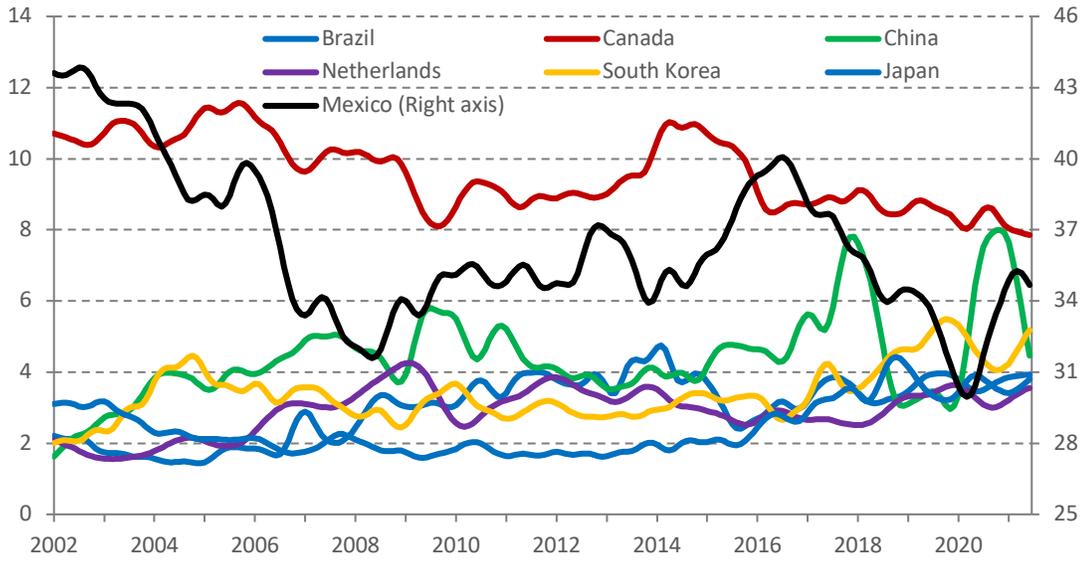
Note: Seasonally adjusted. Inflation adjusted with Bureau of Labor Statistics export indexes. For more information, see [Manufacturing Exports](#).
Sources: International Trade Administration, Foreign Trade Division, and U.S. Census Bureau

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



Note: Seasonally adjusted. Inflation adjusted with Bureau of Labor Statistics export indexes. 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



TEXAS A&M UNIVERSITY

Texas Real Estate Research Center



MAYS BUSINESS SCHOOL

Texas A&M University
2115 TAMU
College Station, TX 77843-2115

<http://recenter.tamu.edu>
979-845-2031

EXECUTIVE DIRECTOR

GARY W. MALER

ADVISORY COMMITTEE

RUSSELL CAIN, CHAIRMAN
Port Lavaca

DOUG JENNINGS, VICE CHAIRMAN
Fort Worth

TROY ALLEY BESA MARTIN
DeSoto Boerne

DOUG FOSTER TED NELSON
Lockhart Houston

VICKI FULLERTON BECKY VAJDAK
The Woodlands Temple

PATRICK GEDDES BARBARA RUSSELL, EX-OFFICIO
Dallas Denton



LinkedIn
[linkedin.com/company/recentertx](https://www.linkedin.com/company/recentertx)



Instagram
[@recentertx](https://www.instagram.com/recentertx)



YouTube
[YouTube.com/realestatecenter](https://www.youtube.com/realestatecenter)



Facebook
[@recentertx](https://www.facebook.com/recentertx)



Twitter
[@recentertx](https://www.twitter.com/recentertx)