

McAllen Area ECONOMIC PULSE

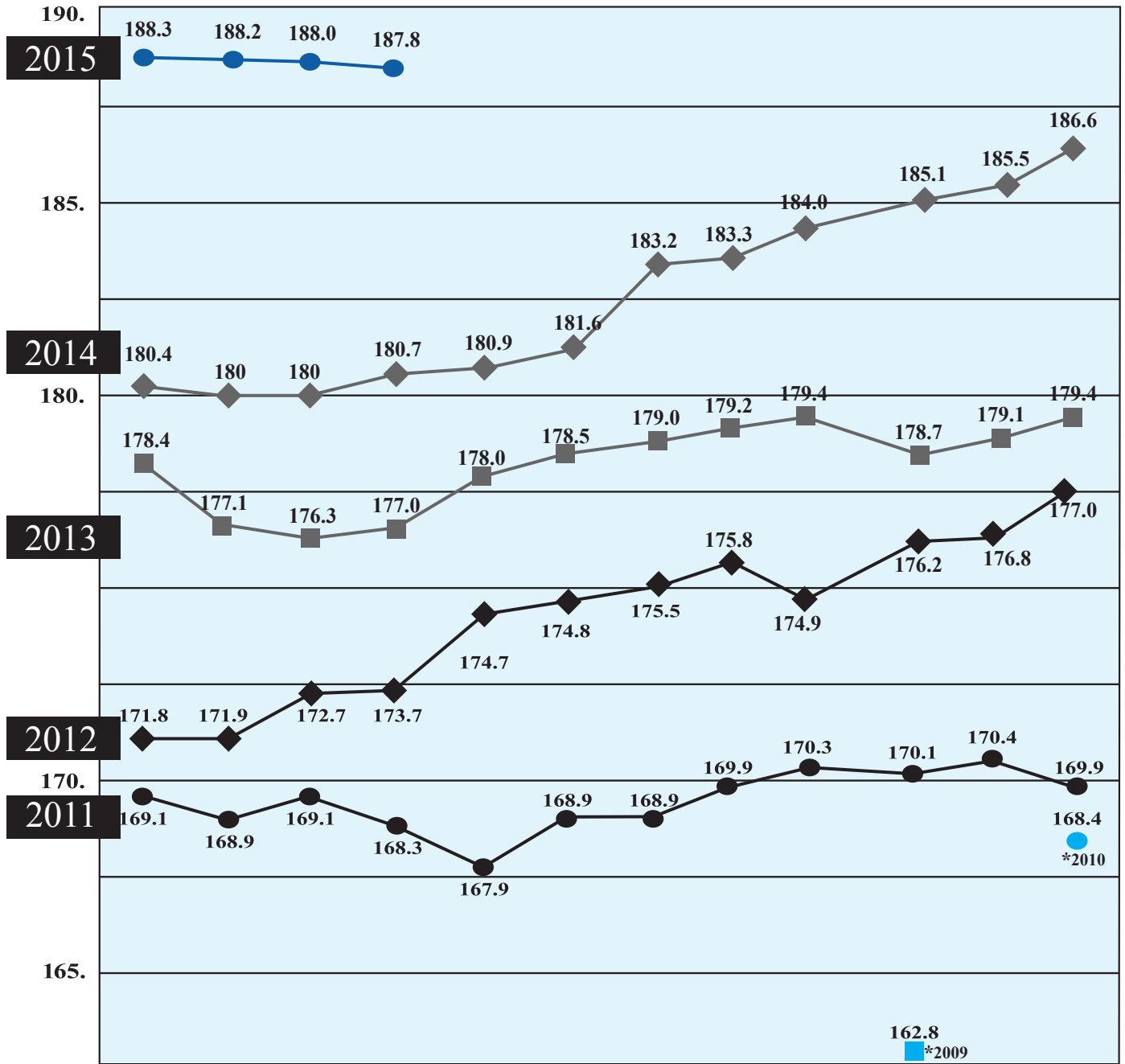
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April 2015 Economic Pulse

The McAllen Chamber of Commerce Economic Index

INDEX (Base=100 Jan 1996)

The economic indicators on pg. 2 are used to formulate the overall economic pulse.



● 2011 ◆ 2012 ■ 2013 ◆ 2014 ● 2015

ECONOMIC INDICATORS	THIS YEAR April 2015	LAST YEAR April 2014	% CHANGE 2014 - 2015
Retail Sales (\$000's - Per April sales tax rebate) *	\$286,365,524	\$286,369,971	0.0%
Retail Sales (\$000's - Year-to-Date)*	\$1,317,513,269	\$1,305,579,517	0.9%
Dollars Spent on Auto Purchases (\$000's - April) *	\$152,476,634	\$155,560,376	-2.0%
Dollars Spent on Auto Purchases (\$000's - YTD) *	\$548,005,149	\$528,542,203	3.7%
Lodging Tax Receipts (April)	\$344,944	\$393,600	-12.4%
Lodging Tax Receipts (YTD)	\$1,478,332	\$1,451,348	1.9%
Airline Boardings (April)	32,061	32,995	-2.8%
Airline Boardings (YTD)	122,503	118,126	3.7%
Value All Construction Permits (April)	\$37,283,344	\$42,791,176	-12.9%
Value All Construction Permits (YTD)	\$145,098,391	\$148,981,113	-2.6%
New Home Permits (April)	91	108	-15.7%
New Home Permits (YTD)	397	409	-2.9%
Home Sales (April)	214	217	-1.4%
Home Sales (YTD)	753	742	1.5%
Average Home Sale Price (April)	\$133,779	\$135,275	-1.1%
Average Home Sale Price (YTD Avg)	\$128,444	\$129,448	-0.8%
Dollar Volume Residential Real Estate Sales (April) *	\$17,900,974	\$18,831,292	-4.9%
Home Sales Dollar Volume of Activity (YTD)	\$60,613,883	\$61,794,921	-1.9%
Hidalgo Bridge Crossings (April)	445,790	445,984	0.0%
Hidalgo Bridge Crossings (YTD)	1,724,948	1,736,475	-0.7%
Peso/Dollar Exchange Rate (April)	14.35	13.55	5.9%
Employment			
Wage & Salary Employment (April)	246,400	242,300	1.7%
Wage & Salary Employment (YTD Avg)	246,775	240,400	2.7%
Unemployment Rate (April)	4.5	5.4	-16.7%
Unemployment Rate (YTD Average)	4.7	6.0	-20.9%
INDEX - April (Base=100 Jan 1996)	187.8	182.2	3.1%

*Adjusted for Inflation by Re-Statement in Year 1995 Dollars

- The McAllen Economic Index declined again slightly in April slipping to 187.8 down from 188.0 in April (and a recent high of 188.3 in January), but up 3.1% from the April 2014 MEI of 182.2. Most local economic indicators were flat to lower for the month with the exception of the employment data which continues to reflect a moderate rate of job growth and steady decline in the unemployment rate.

- General real (inflation-adjusted) spending per April sales tax receipts was flat compared to April of a year ago, and the total through April is up by less than a percent compared to the first four months of 2014. Real auto spending was also down for the month, but is up by 3.7% for the year-to-date compared to the total through April of last year, which in turn was up by nearly 6% compared to the prior year.

- The rate of year-over-year job growth dipped to 1.7% in April (subject to slight revision with the release of the May data next month), the smallest of the year thus far (employment growth averaged 3% in the first quarter of 2015). The McAllen city unemployment rate remains firmly on the decline falling to 4.5% in April, its lowest level since April 2008, and down by nearly a full point compared to April of a year ago.

- Hotel/motel tax receipts in McAllen were down compared to a very strong total from a year ago; April 2015 lodging tax receipts were off by over 12% year-over-year -- however, the April 2014 total was up by nearly 30% compared to the prior year. Thus far in 2015 hotel/motel activity is up by about 2% compared to the January-April 2014 time period, which was stoutly improved (up over 11%) compared to the first four months of the prior year.

- Construction activity is also down compared to a strong number from 2014. The total dollar valuation of building permits issued in April across the metro area was down by about 13% compared to April of last year; however, the April 2014 permit valuation total was up by over 47% compared to the prior year. That pulled the year-to-date total into slightly negative territory, down 2.6% compared to the total through April of a year ago. New housing construction permits were off for the month as well, with about 16% fewer permits issued compared to April of a year ago. The year-to-date total is down slightly compared to the January-April 2014 total, which in turn was up by a strong 11.3% compared to the first four months of the prior year.

- Existing home sales were generally flat - down slightly for the month, up slightly for the year-to-date. The April monthly average price was down by about 1.6% compared to the April 2014 monthly average, which was up by a stout 6.3% compared to the prior year. The total dollar volume of residential real estate sales activity (adjusted for inflation) is down by about 2% through the first four months of the year. Again, though, activity was relatively strong last year with inflation-adjusted sales activity up by over 5% compared to the prior year.