

McAllen Area ECONOMIC PULSE

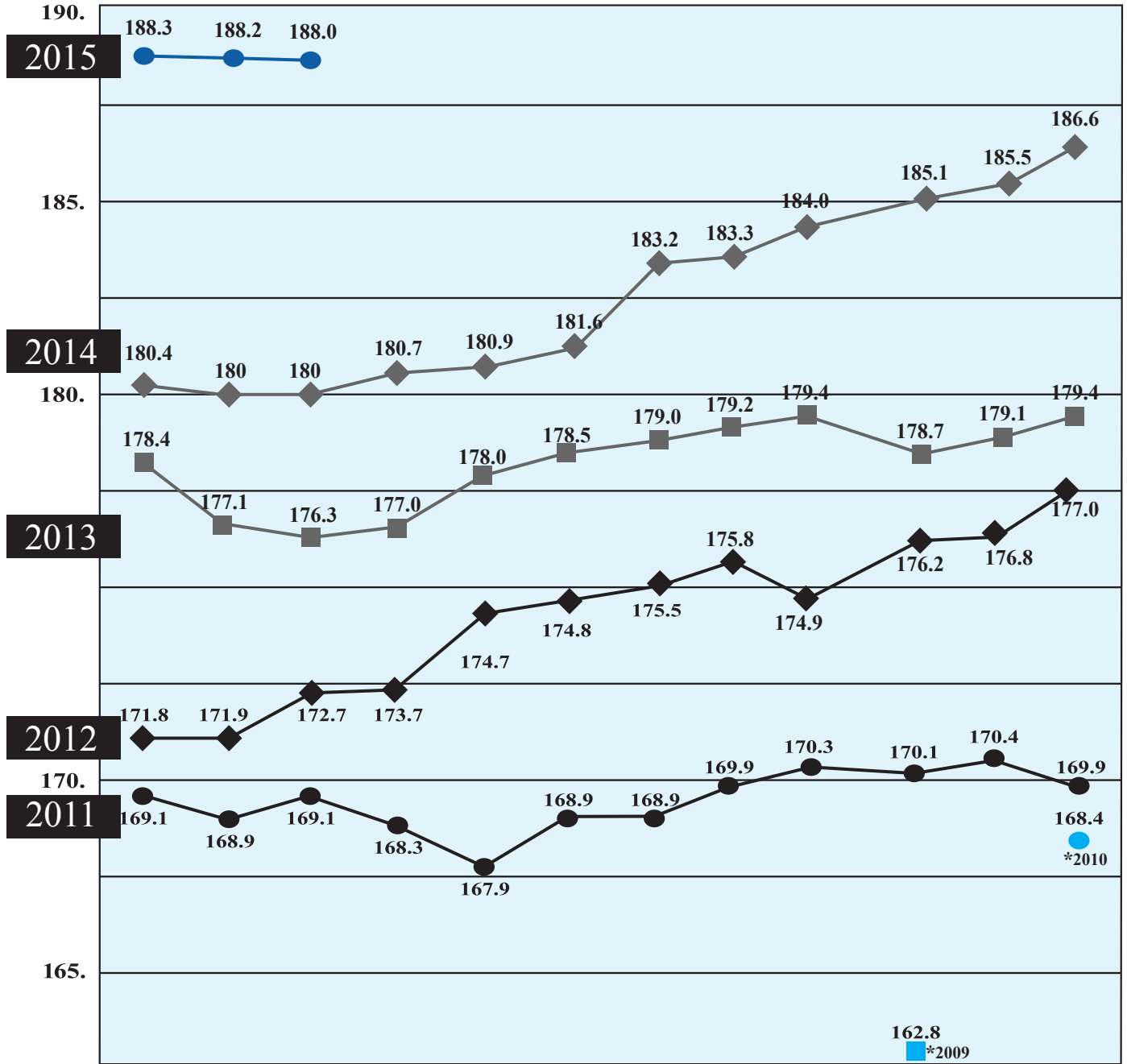
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March 2015 Economic Pulse

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.



Jan. Feb. Mar. Apr. May Jun. Jul. Aug. Sept. Oct. Nov. Dec.

● 2011 ◆ 2012 ■ 2013 ◆ 2014 ● 2015

ECONOMIC INDICATORS	THIS YEAR March 2015	LAST YEAR March 2014	% CHANGE 2014 - 2015
Retail Sales (\$000's - Per March sales tax rebate) *	\$276,742,960	\$271,532,499	1.9%
Retail Sales (\$000's - 1st Quarter)*	\$1,031,147,745	\$1,019,209,546	1.2%
Dollars Spent on Auto Purchases (\$000's - March) *	\$139,948,097	\$135,673,243	3.2%
Dollars Spent on Auto Purchases (\$000's - 1st Qtr) *	\$402,959,562	\$372,981,828	8.0%
Lodging Tax Receipts (March)	\$367,090	\$340,741	7.7%
Lodging Tax Receipts (1st Qtr)	\$1,133,389	\$1,057,748	7.2%
Airline Boardings (March)	33,434	32,667	2.3%
Airline Boardings (1st Qtr)	90,442	85,131	6.2%
Value All Construction Permits (March)	\$39,311,090	\$38,494,217	2.1%
Value All Construction Permits (1st Qtr)	\$107,815,047	\$106,189,936	1.5%
New Home Permits (March)	118	121	-2.5%
New Home Permits (1st Qtr)	306	301	1.7%
Home Sales (March)	226	212	6.6%
Home Sales (1st Qtr)	539	525	2.7%
Average Home Sale Price (March)	\$126,283	\$133,044	-5.1%
Average Home Sale Price (1st Qtr Avg)	\$126,326	\$127,039	-0.6%
Dollar Volume Residential Real Estate Sales (March) *	\$17,876,314	\$18,134,433	-1.4%
Home Sales Dollar Volume of Activity (1st Qtr)	\$42,712,910	\$42,963,629	-0.6%
Hidalgo Bridge Crossings (March)	450,935	458,971	-1.8%
Hidalgo Bridge Crossings (1st Qtr)	1,279,158	1,290,491	-0.9%
Peso/Dollar Exchange Rate (March)	14.55	13.55	7.4%
Employment			
Wage & Salary Employment (March)	248,000	240,900	2.9%
Wage & Salary Employment (1st Qtr Avg)	246,965	239,765	3.0%
Unemployment Rate (March)	4.6	6.0	-23.3%
Unemployment Rate (1st Qtr Average)	4.8	6.2	-22.6%
INDEX - March (Base=100 Jan 1996)	188.0	181.7	3.5%

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

- The McAllen Economic Index flattened in the first quarter, but the March 2015 index remains a solid 3.5% improved over the March 2014 MEI. The index declined slightly for the second straight month in March slipping to 188.0 down from 188.2 in February.

- The pace of general spending growth slowed in the first quarter with inflation-adjusted spending per March sales tax receipts up by a modest 1.2% compared to the first quarter of 2014. General real spending per the March sales tax total was up by 1.9% compared to March of a year ago. The auto sales sector remains impressive with inflation-adjusted spending on new and used vehicles up by a stout 8.0% in the first quarter (year-over-year).

- The rate of job growth has improved thus far in 2014 with year-over-year employment growth averaging 3.0% compared to the first quarter of a year ago. The March employment growth rate was a quite respectable 2.9% reflecting the addition of over 7,000 jobs to the McAllen metro area economy over the last 12 months. That 2.9% rate of year-over-year employment growth ranks as 7th best among the 26 metro areas in Texas. The McAllen city unemployment rate remains sharply on the decline, falling to 4.6% in March compared to 6.0% in March of a year ago.

- The construction and home building numbers are generally flat compared to year-ago levels, with slight improvements in the first quarter compared to 1st quarter 2014 totals for permit valuations and the number of new single-family residence permits issued in the four-city metro area.

- Home sales are modestly improved for the quarter with the number of closed sales up by some 2.7% year-over-year. The average sale price for the first quarter is down less than a percent compared to the first quarter 2014 average, which in turn was up by 6% compared to the prior year.

- Even though overall growth rates slowed in the first quarter, general spending and employment continue to exhibit upward trends, and all signs point to continued moderate but steady growth in the McAllen economy in 2015.