



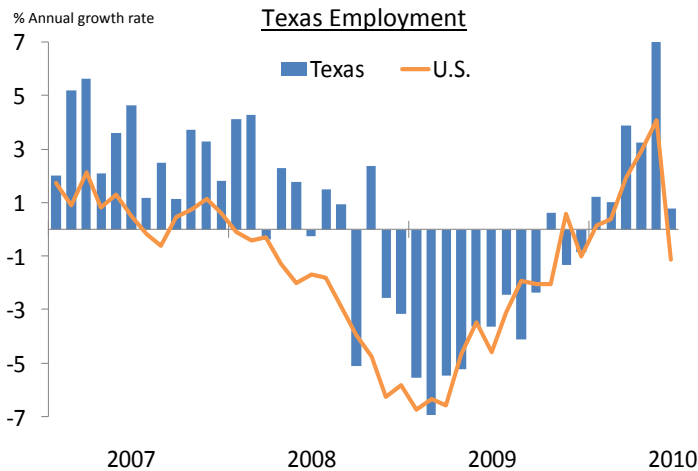
AUGUST 2010

# Texas Economic Indicators

FEDERAL RESERVE BANK OF DALLAS

## Summary

Texas employment expanded slightly in June, marking the sixth consecutive month of job growth. There was weakness in the housing market, as June housing starts and existing-home sales fell from their May readings. Texas exports dipped in May but remained significantly above the levels seen a year ago. Texas factory activity rebounded slightly in July after contracting in June, according to the Texas Manufacturing Outlook Survey.



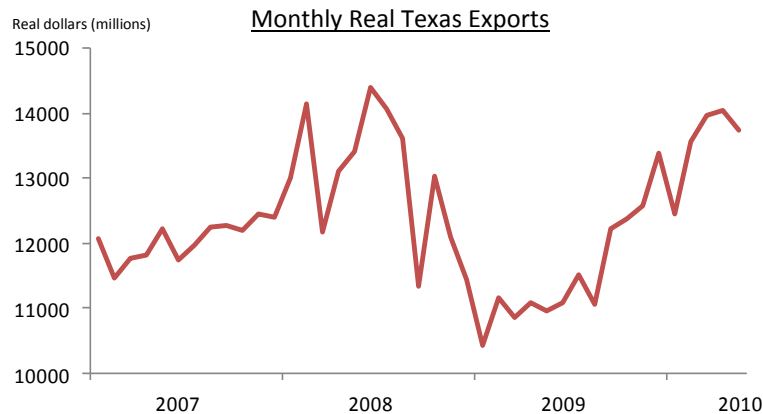
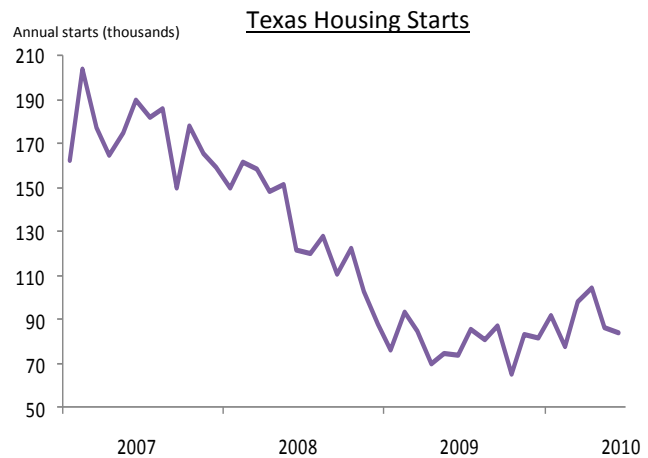
Texas gained 6,800 jobs in June after adding 62,400 in May. Current Texas employment stands at 10.35 million.

The Texas unemployment rate fell from 8.3 percent in May to 8.2 percent in June. The Texas rate remains below the U.S. rate, which was 9.5 percent in June.

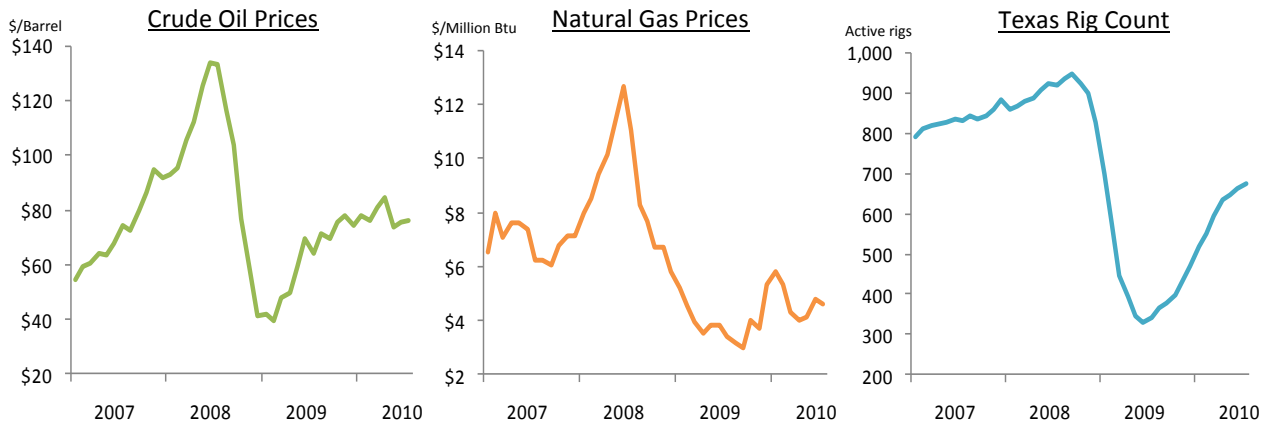
Housing starts edged down 2.6 percent in June, although they were up 13 percent from last year.

Texas existing-home sales fell 11.0 percent in June and were nearly flat compared to a year earlier. The supply of housing inventory in Texas was 7.4 months in June, up from 7.2 months in May.

Texas single-family housing permits fell 5.7 percent in June and were down 11 percent from June 2009.



Monthly real Texas exports fell 2.2 percent in May after edging up 0.5 percent in April. The May level of real exports was 25 percent higher than a year ago.



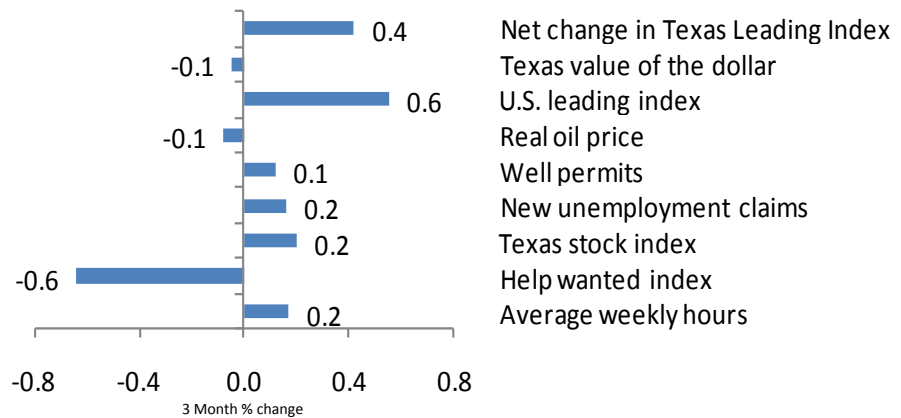
West Texas intermediate crude oil prices edged up 1.4 percent to \$76.37 per barrel in July. Oil prices have recovered ground after bottoming out in February of 2009, and the July price was up 19 percent year over year.

Natural gas prices fell to \$4.62 per million Btu in July, down 4.0 percent from June. The July price was 36 percent higher than a year ago.

The rig count for Texas increased by 13 rigs in July and has been steadily growing for over a year. The July rig count was 676, which is nearly double its year-ago level.

**Texas Leading Index Components**

The Texas Leading Index, which uses key economic indicators to forecast future economic activity, ticked up 0.4 percent from March through May.



The Texas Manufacturing Outlook Survey's production index, a key indicator of state manufacturing conditions, rose from -2 to 5, suggesting output expanded in July after contracting in June.

The Federal Reserve Bank of Dallas conducts the monthly Texas Manufacturing Outlook Survey to obtain a timely assessment of the state's factory activity.

**Note:** Data may not match previously published numbers due to data revisions.  
**Sources:** Employment: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by Federal Reserve Bank of Dallas. Housing: U.S. Census Bureau; Bank of Tokyo-Mitsubishi UFJ; Multiple Listing Service. All housing data are seasonally adjusted. Exports: U.S. Census Bureau; World Institute for Strategic Economic Research; seasonal and other adjustments by Federal Reserve Bank of Dallas. Energy: *Wall Street Journal*; Henry Hub; Baker Hughes. Texas Leading Index: Federal Reserve Bank of Dallas. Texas Manufacturing Production Index: Federal Reserve Bank of Dallas. Data are seasonally adjusted.