



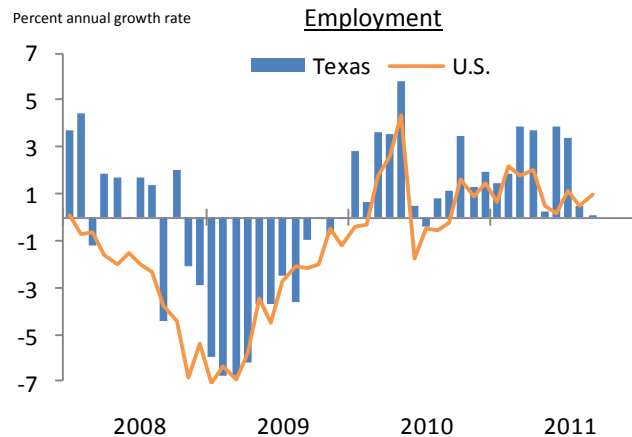
NOVEMBER 2011

# Texas Economic Indicators

FEDERAL RESERVE BANK OF DALLAS

## Summary

The Texas economy continues to expand, although at a slow pace, with employment growing at a 0.1 percent annual rate in September. Texas home sales fell in September, but single-family permits and housing starts rose. Texas exports inched up in August, and manufacturing activity increased in October, according to the Texas Manufacturing Outlook Survey's production index.



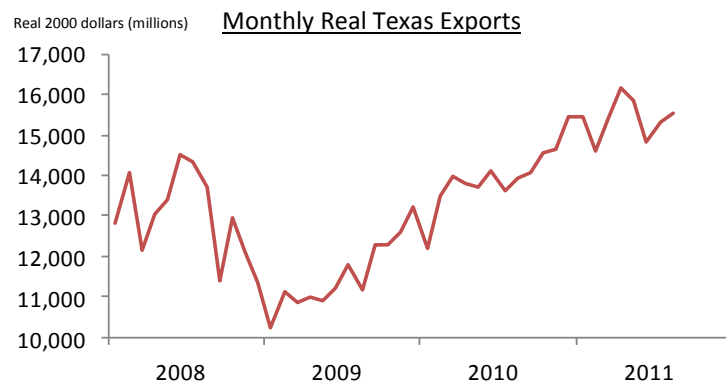
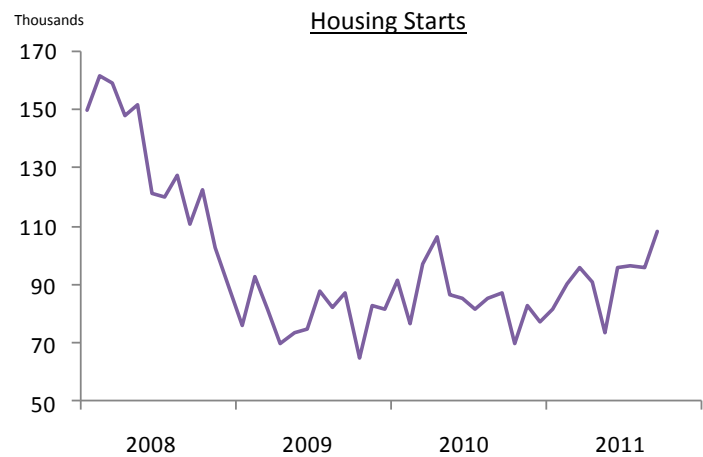
Texas gained 800 jobs in September after adding 4,400 jobs in August. The addition of 24,000 jobs in the private sector was offset by the loss of 23,200 jobs in government. Current Texas employment stands at 10.6 million.

The Texas unemployment rate remained unchanged at 8.5 percent in September. The Texas rate is still lower than the U.S. rate, which was 9.1 percent in September.

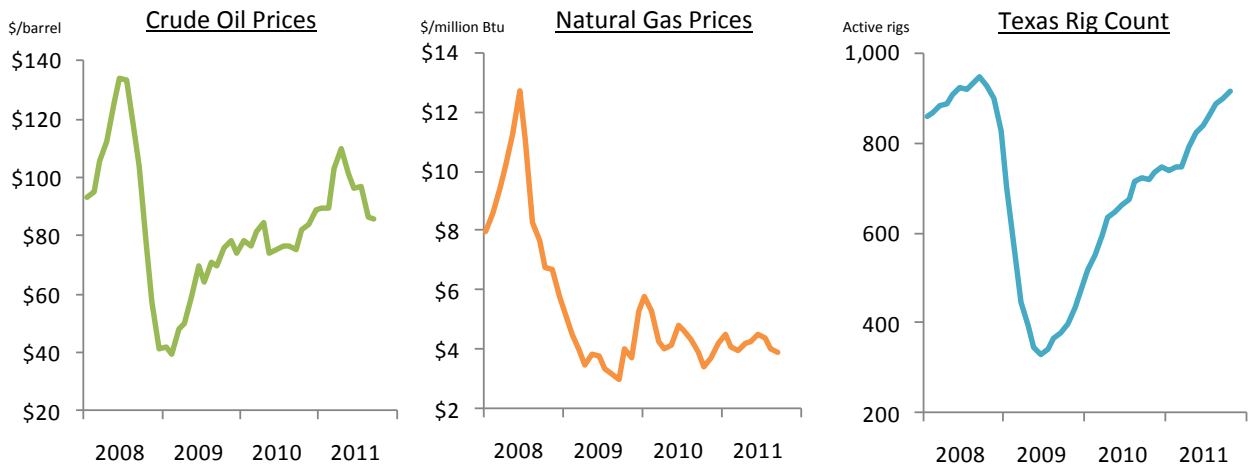
Housing starts in Texas rose 13.4 percent in September after falling 0.5 percent in August. September starts were up 24.2 percent from last year.

Texas existing-home sales decreased by 2.1 percent in September and are up 11.8 percent year over year. Home inventories remain at 7.1 months.

Texas single-family housing permits rose 2.6 percent from August to September.



Monthly real Texas exports rose 1.3 percent in August after increasing 3.2 percent in July. The August level of real exports was 11.4 percent higher than a year earlier.



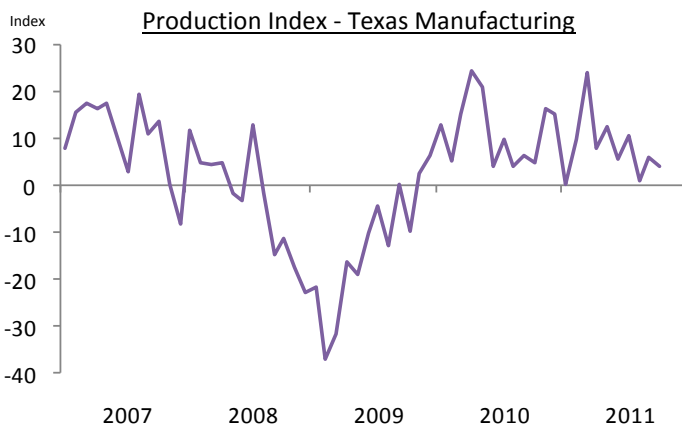
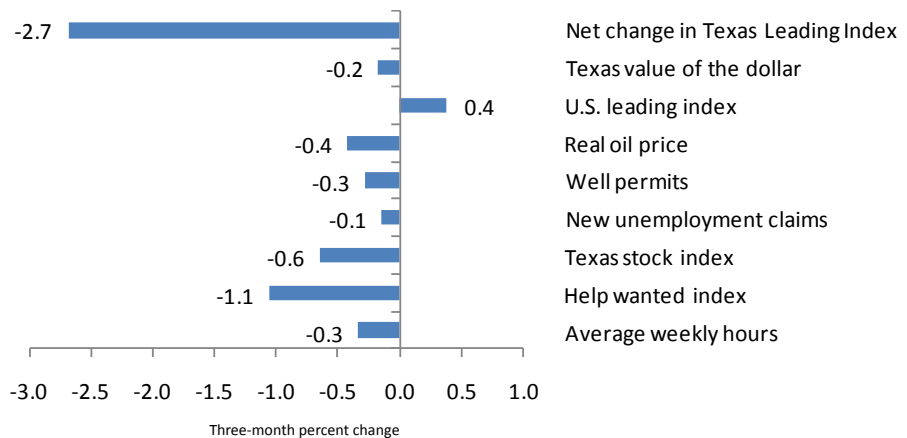
West Texas Intermediate crude oil prices fell 0.8 percent to \$85.61 per barrel in September. The price was up 13.7 percent year over year.

Natural gas prices declined to \$3.89 per million Btu in September, down 4.0 percent from August. The price was 0.3 percent lower than in September 2010.

The Texas rig count increased by 17 rigs to 914 in October. The rig count was up 27 percent from a year earlier.

#### Texas Leading Index Components

The Dallas Fed's Texas Leading Index, which uses key economic indicators to forecast future economic activity, declined 2.7 percent from June through August.



Texas factory activity increased in October, according to the Texas Manufacturing Outlook Survey. The production index, a key measure of state manufacturing conditions, fell from 5.9 to 4.1, suggesting growth slowed slightly.

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: FHFA; Multiple Listing Service; U.S. Census Bureau; Bank of Tokyo-Mitsubishi UFJ. 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.

Questions can be addressed to Emily Kerr at [emily.kerr@dal.frb.org](mailto:emily.kerr@dal.frb.org). Texas Economic Indicators is released on the first Wednesday of every month and can be found online at [www.dallasfed.org/research/indicators/index.cfm](http://www.dallasfed.org/research/indicators/index.cfm).