



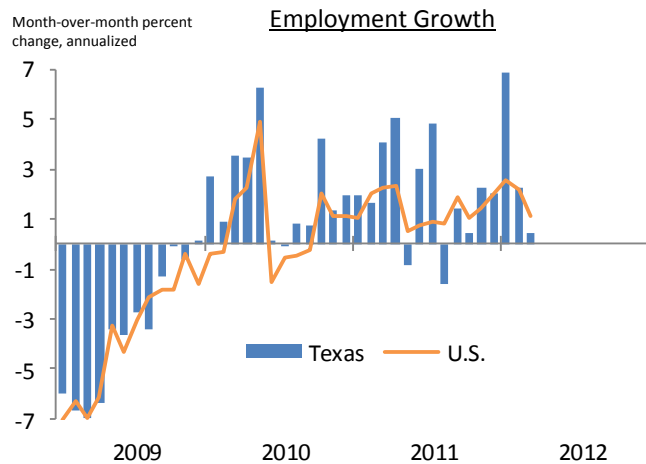
MAY 2012

Texas Economic Indicators

FEDERAL RESERVE BANK OF DALLAS

Summary

The regional economy continues to grow, albeit at a slower pace. Employment grew at a 0.4 percent annual rate in March. Texas housing starts and permits fell, but existing-home sales rose slightly. Exports ticked up, and energy activity remained strong. Growth in Texas manufacturing activity slowed in April, according to the Texas Manufacturing Outlook Survey.

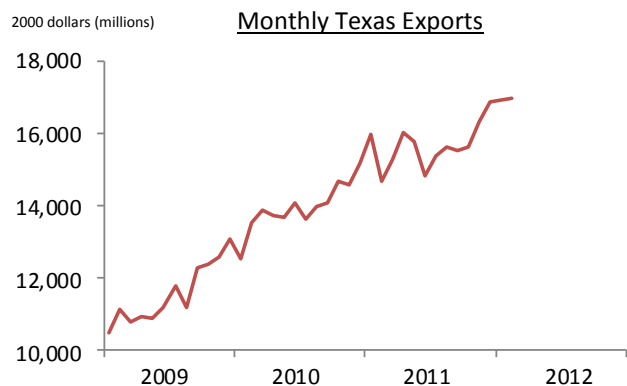
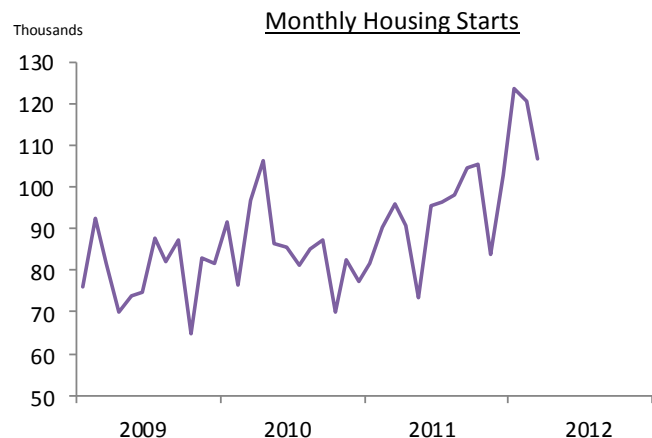


Texas gained 3,700 jobs in March after adding 19,900 jobs in February. Current Texas employment stands at 10.72 million.

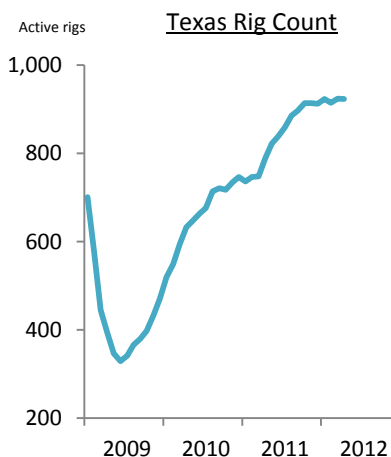
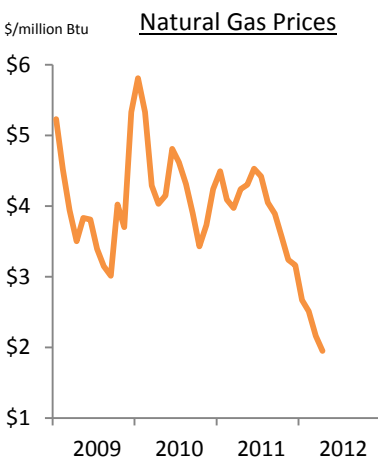
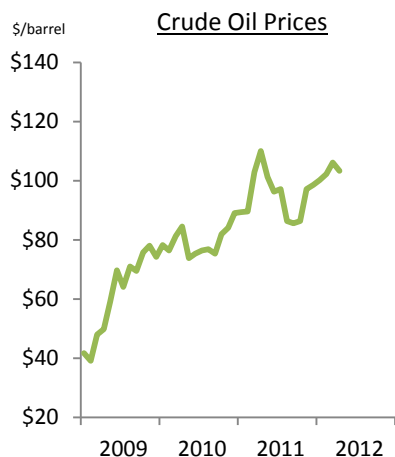
The Texas unemployment rate declined to 7.0 percent in March from 7.1 percent in February. The Texas rate remains lower than the U.S. rate, which was 8.2 percent in March.

Texas housing starts declined 11.5 percent in March after edging down 2.3 percent in February. Texas single-family housing construction permits fell 7 percent from February to March.

Texas existing-home sales increased 0.5 percent in March and are up 10.7 percent year over year. Home inventories remains at 6.1 months of available supply.



Texas exports edged up 0.3 percent in February growing at the same pace as in January. The February level of real exports was 15.5 percent higher than a year earlier.



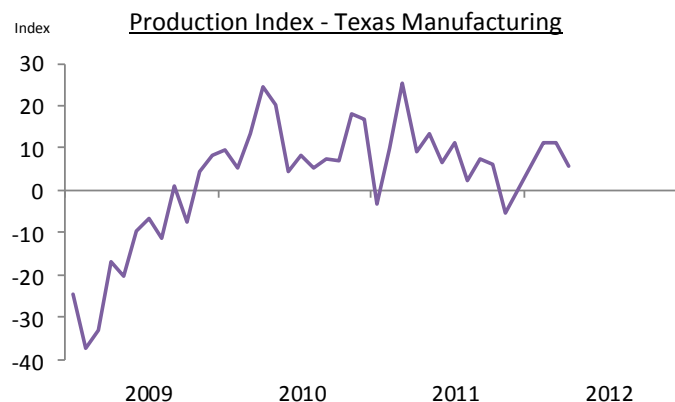
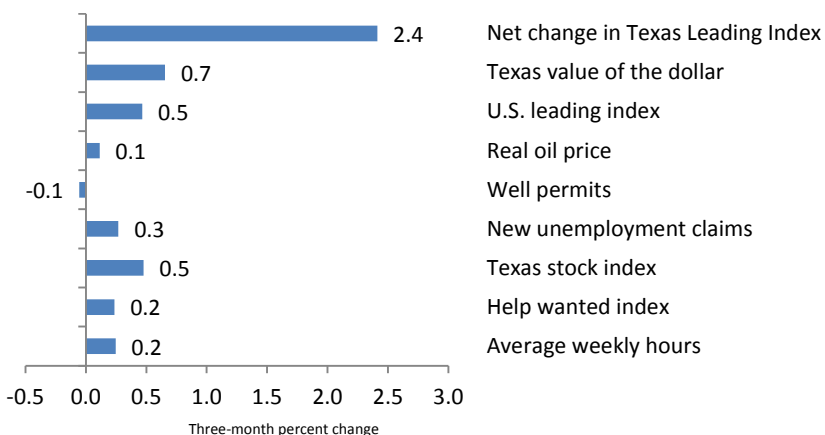
West Texas Intermediate crude oil prices fell 2.7 percent to \$103.33 per barrel in April. The price was down 6.1 percent year over year.

Natural gas prices declined to \$1.95 per million Btu in April, down 9.7 percent from March. The price was 54 percent lower than in April 2011.

The Texas rig count decreased by 1 rig to 923 in April but was up 17 percent from a year earlier.

Texas Leading Index with Components

The Texas Leading Index, which uses key economic indicators to forecast future economic activity, rose 2.4 percent from December to February.



Texas factory activity increased in April, according to the Texas Manufacturing Outlook Survey. The production index, a key measure of state manufacturing conditions, fell from 11.1 to 5.6, suggesting growth continued but at a slower pace than last month.

The Dallas Fed 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. Data are seasonally adjusted. 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. 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.