



St. Mary's University • San Antonio Hispanic Chamber of Commerce

*Economics in the know.*

# 2016 ECONOMIC FORECAST UPDATE: GROWTH IN SAN ANTONIO SLOWING AS FORECAST

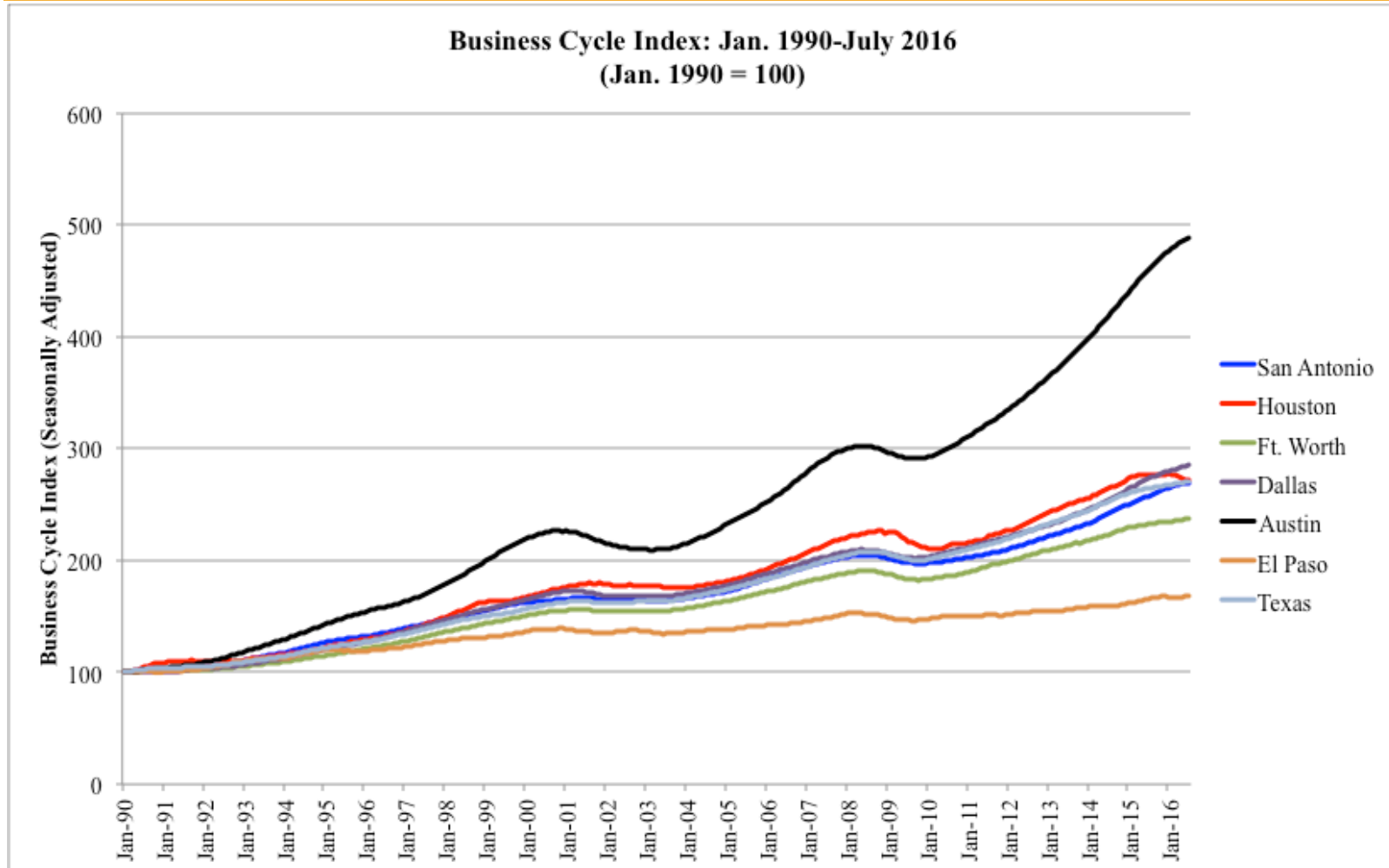
Presented on:  
August 24, 2016

Presented by: Steve Nivin, Ph.D.

Please contact Steve Nivin with any questions or comments at [snivin@saberinstitute.org](mailto:snivin@saberinstitute.org) or 210-517-3609.

# Business cycle index shows slowing growth across most major metropolitan economies.

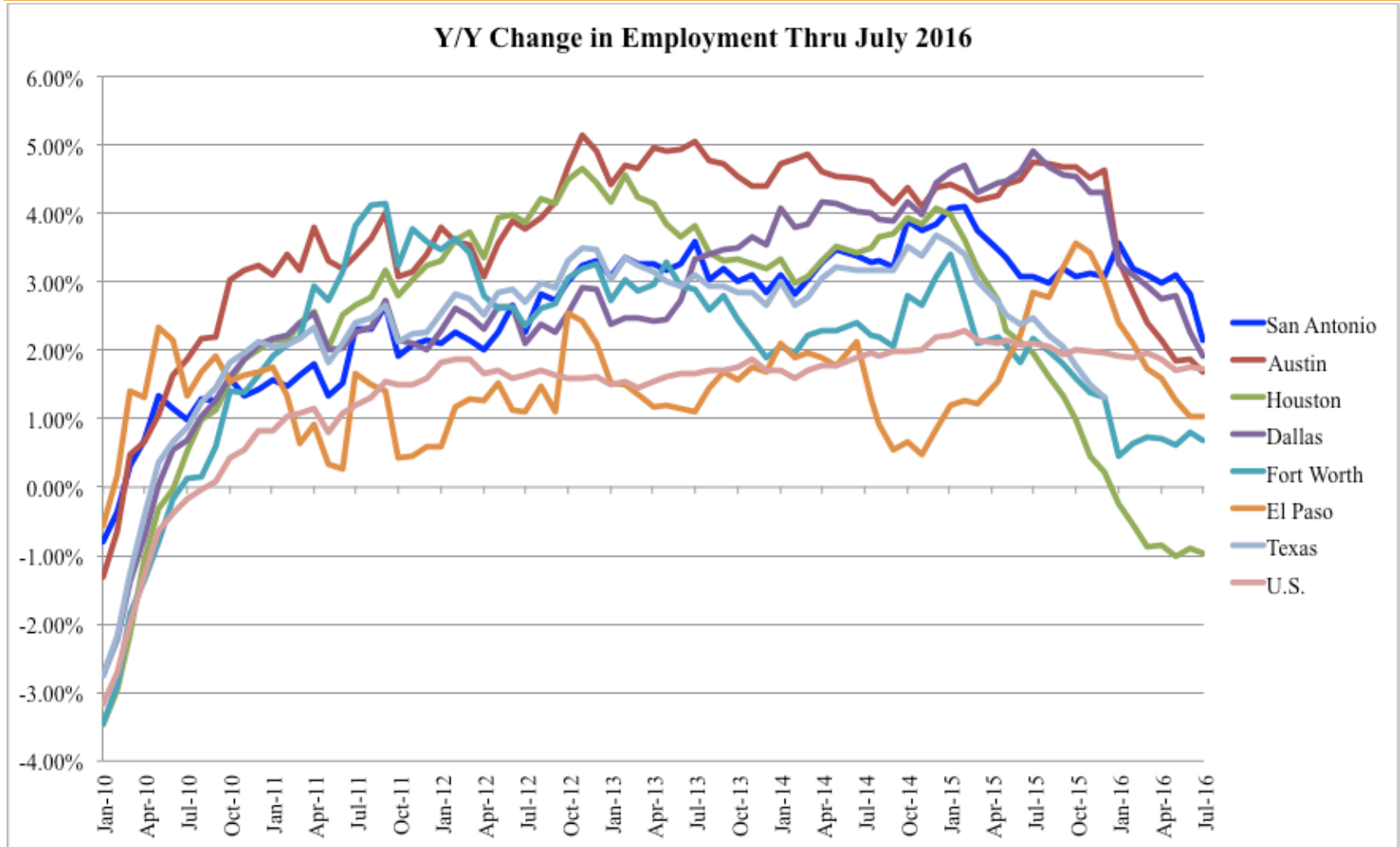
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Source: Federal Reserve Bank of Dallas

# Major metros experiencing slowing growth in employment, while Houston is seeing declines.

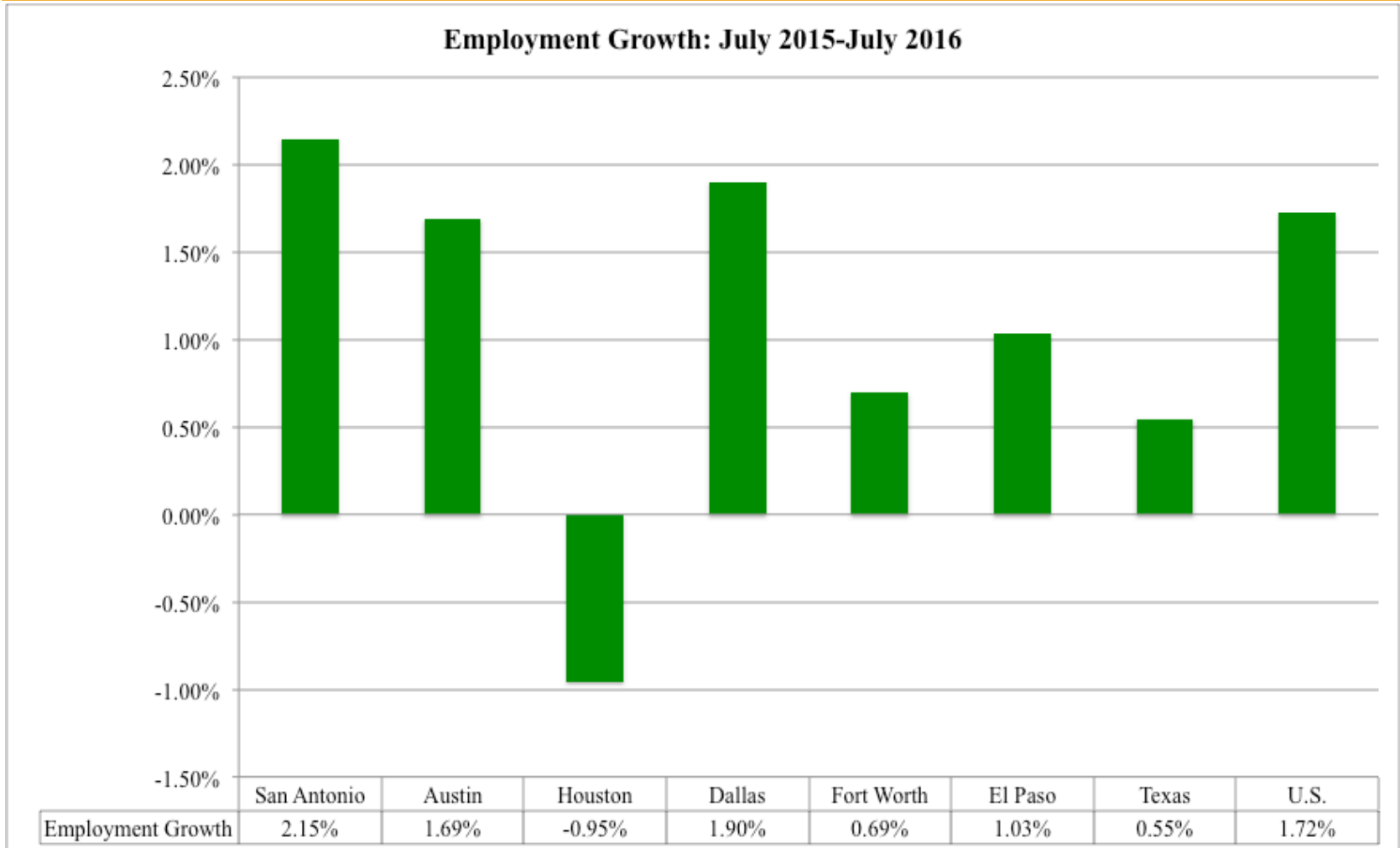
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Source: BLS; Federal Reserve Bank of Dallas; Calculations by Steve Nivin, Ph.D.

# Employment growth in San Antonio leads all major metropolitan area at 2.15% in July.

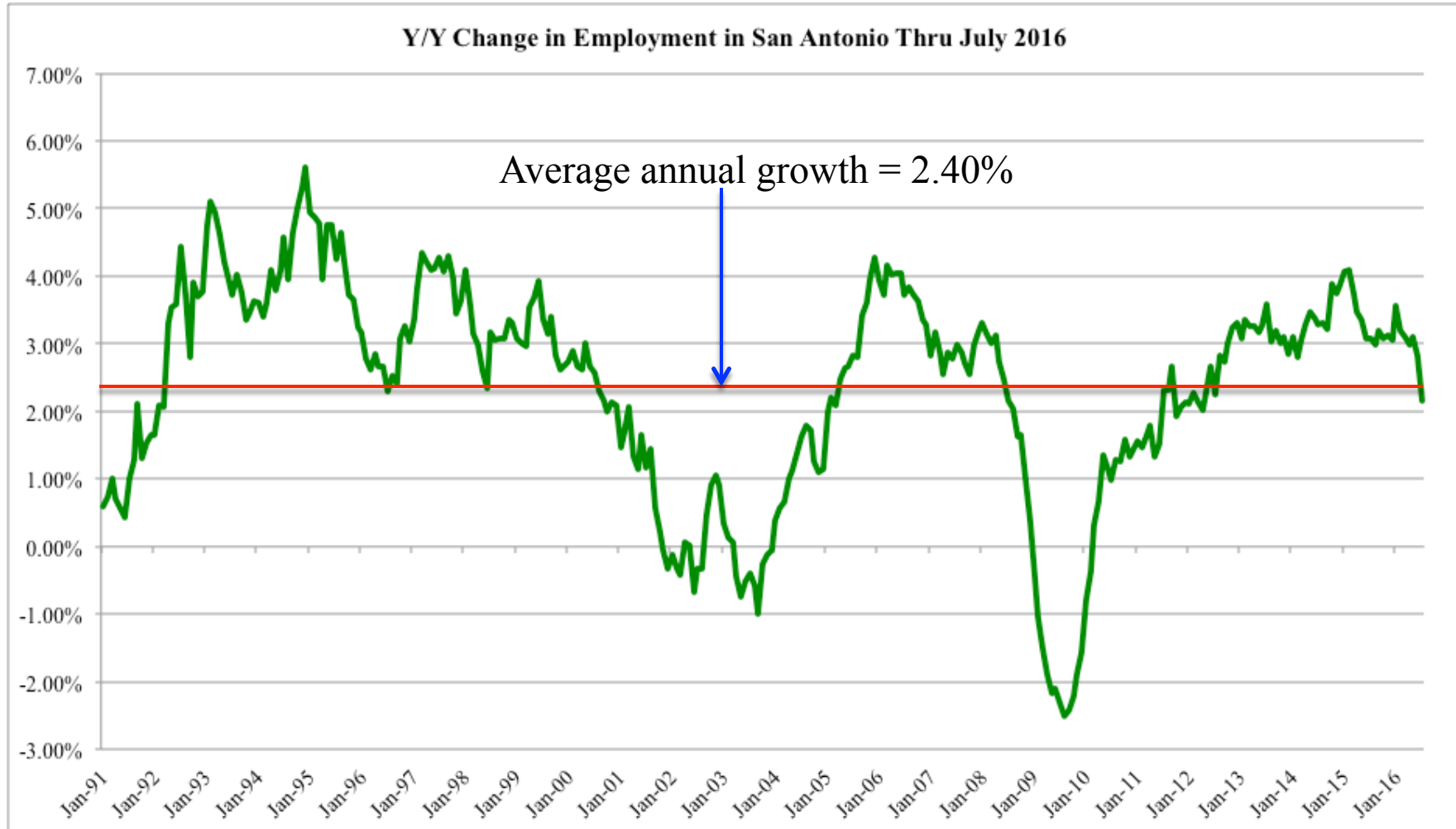
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Source: BLS; Federal Reserve Bank of Dallas; Calculations by Steve Nivin, Ph.D.

# Employment growth in San Antonio fell below the long-term trend in July.

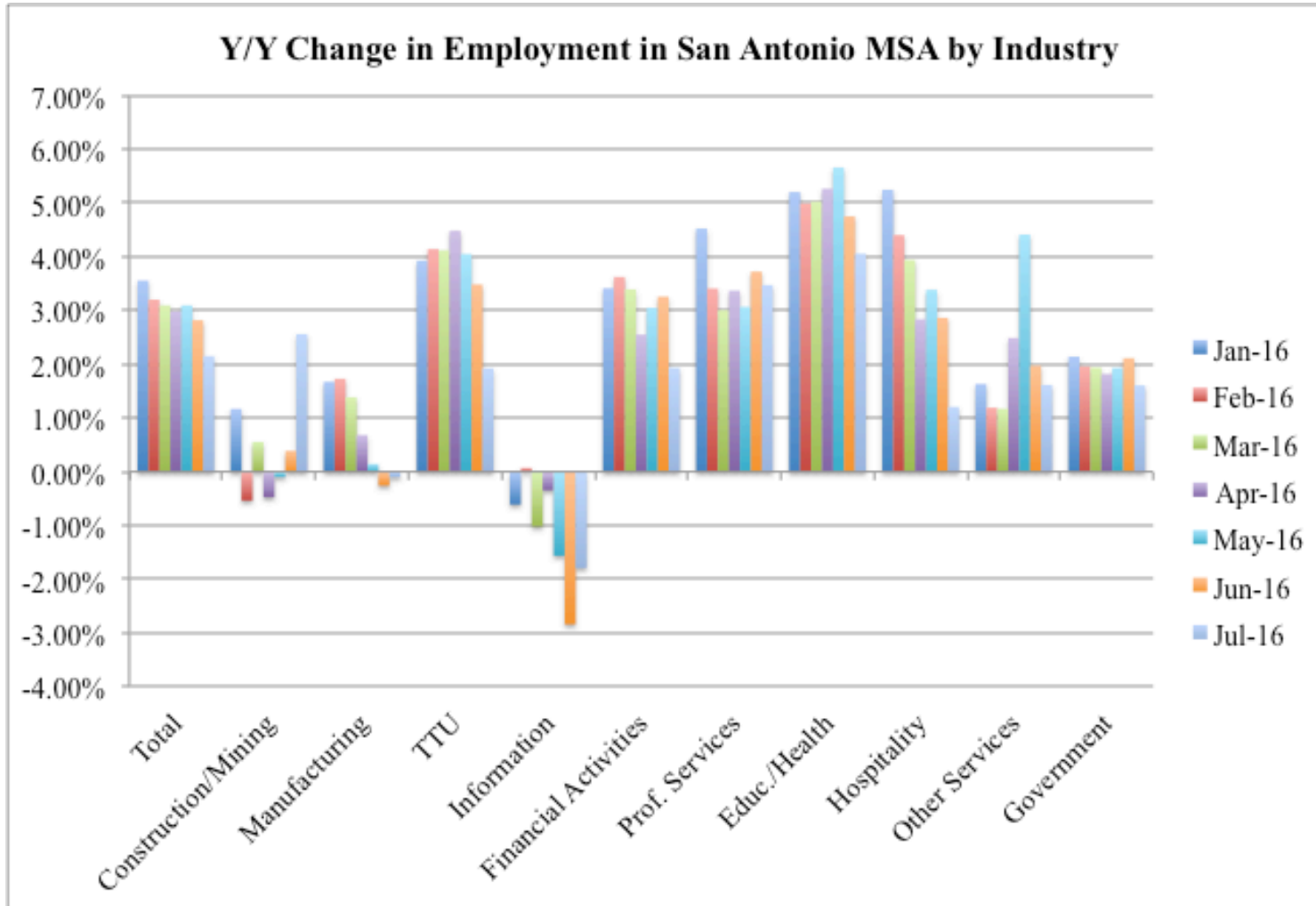
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Source: BLS; Federal Reserve Bank of Dallas; Calculations by Steve Nivin, Ph.D.

# Most sectors still showing growth in employment, but it is slowing across almost all sectors.

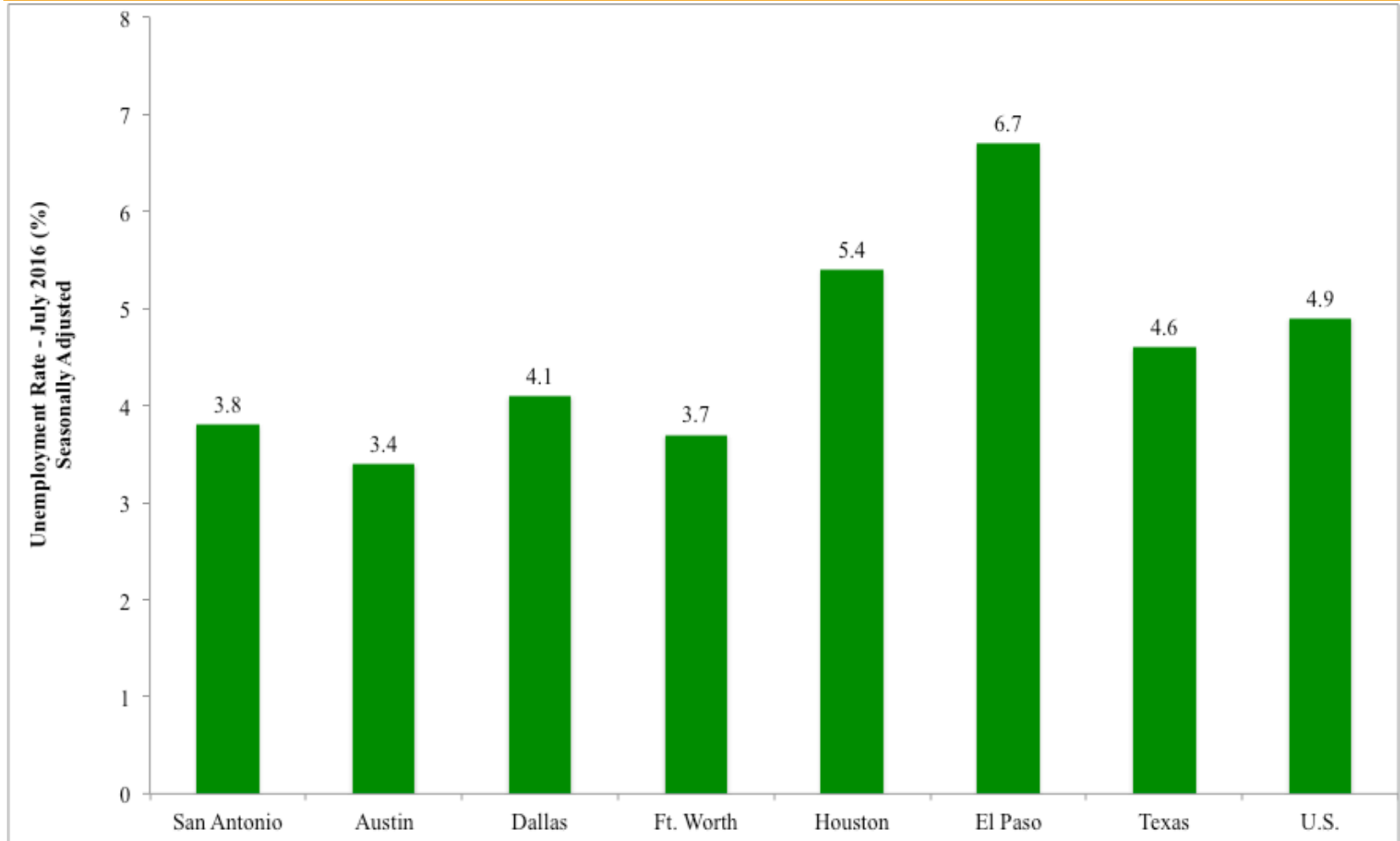
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Source: BLS; Federal Reserve Bank of Dallas; Calculations by Steve Nivin, Ph.D.

# Unemployment rate in San Antonio is third lowest among major metropolitan economies in Texas.

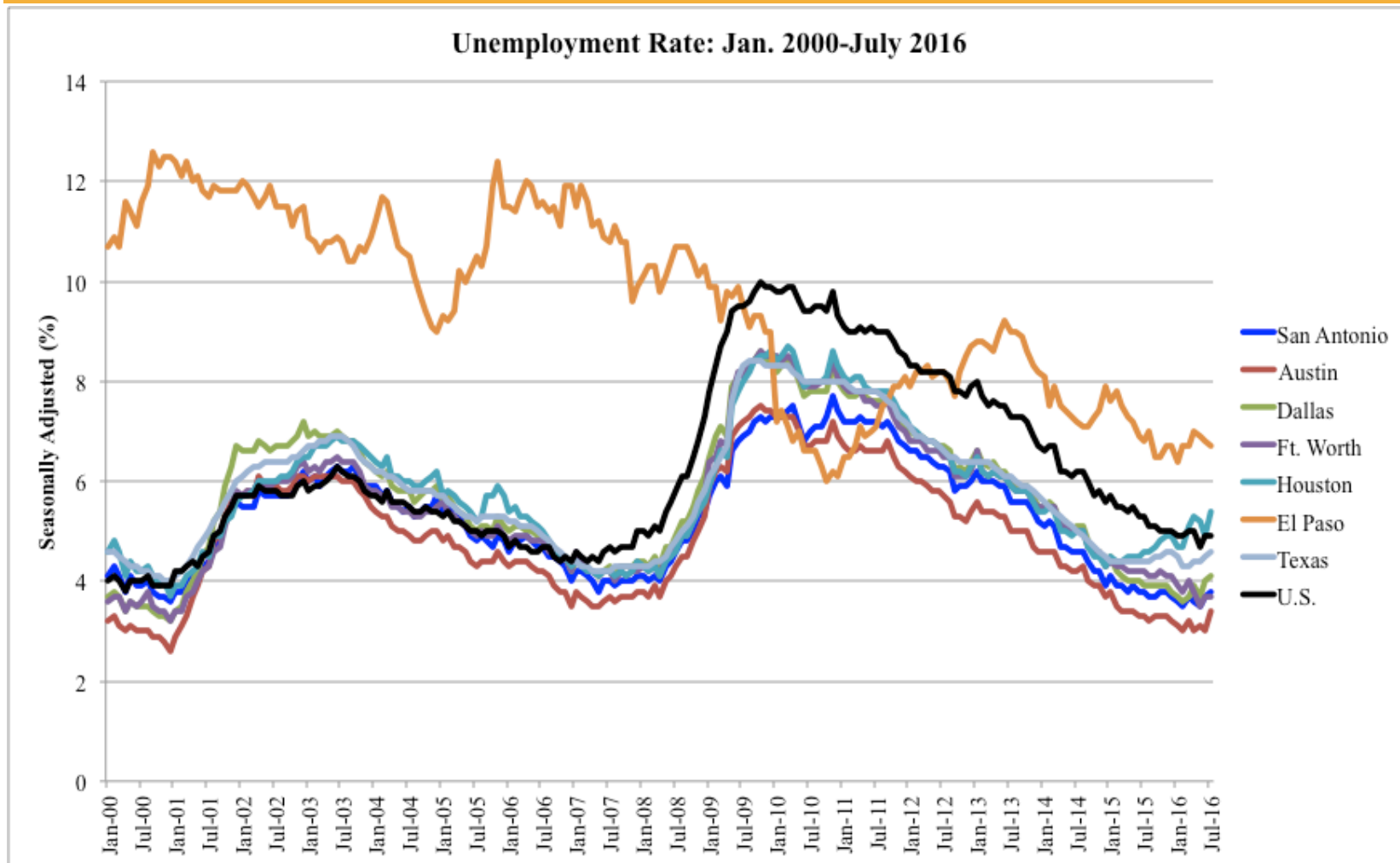
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Source: Bureau of Labor Statistics; Federal Reserve Bank of Dallas

# Unemployment rates still low across major metro economies with slight increases in most MSAs in the past few months including San Antonio.

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Source: Bureau of Labor Statistics; seasonal adjustment by Federal Reserve Bank of Dallas



# 2016 Forecast Update

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- Employment growth of 2.25-2.75%
  - Growth of 22,300 to 27,300 jobs
- Unemployment rate at 3.4-3.7%
- Continued low oil prices, slow global growth, and tight labor markets causing growth to slow, as predicted at beginning of the year.
- Forecast remains the same, but...
- Reasonable chance for employment growth below 2.25% and unemployment above 3.7% by end of year.
- Risks to forecast
  - Low oil prices
  - Slowing growth around the world
    - Brexit
  - Strong dollar
  - Uncertainty of presidential election
  - Tight labor market

# Thank you

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Questions?