

2012 SAN ANTONIO ECONOMIC FORECAST



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

Economics in the know.

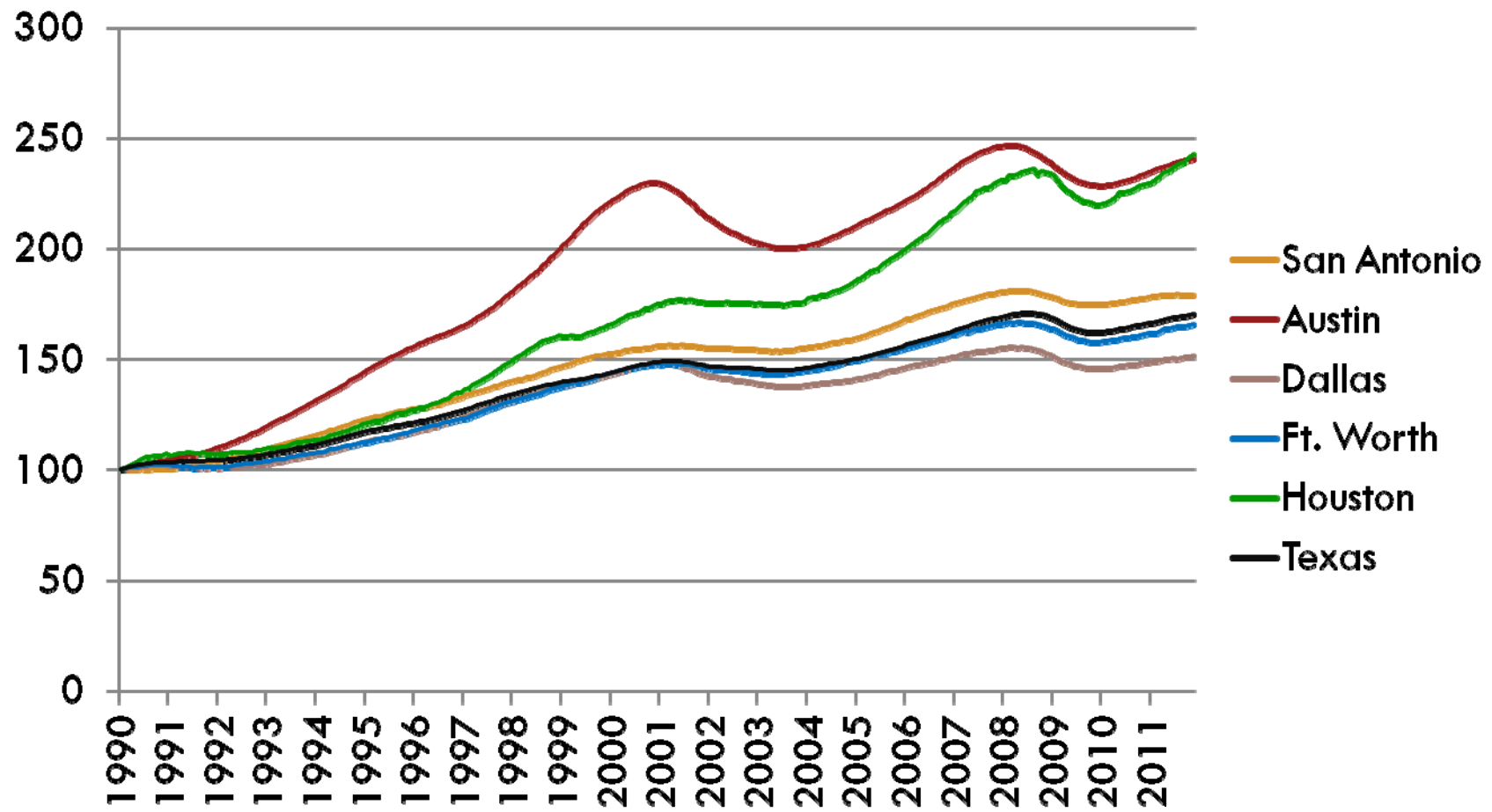
Presented by: Steve Nivin, Ph.D.
Director and Chief Economist

A Mix of Reports on the SA Economy

- #1 ranked best-performing metropolitan area in the U.S. in 2011 (Source: Milken Institute, December 2011, “Best-Performing Cities 2011”)
- Highest level of hiring by small businesses (Source: Sure Payroll Small Business Scorecard)
- “Texas metropolitan areas...exhibited mixed economic performance during the recovery, with some recovering very strongly [Dallas, Houston, Austin, McAllen] and others recovering weakly [San Antonio, El Paso].” (Source: “December 2011 – MetroMonitor: Tracking Economic Recession and Recovery in America’s 100 Largest Metropolitan Areas)

Business Cycle Index

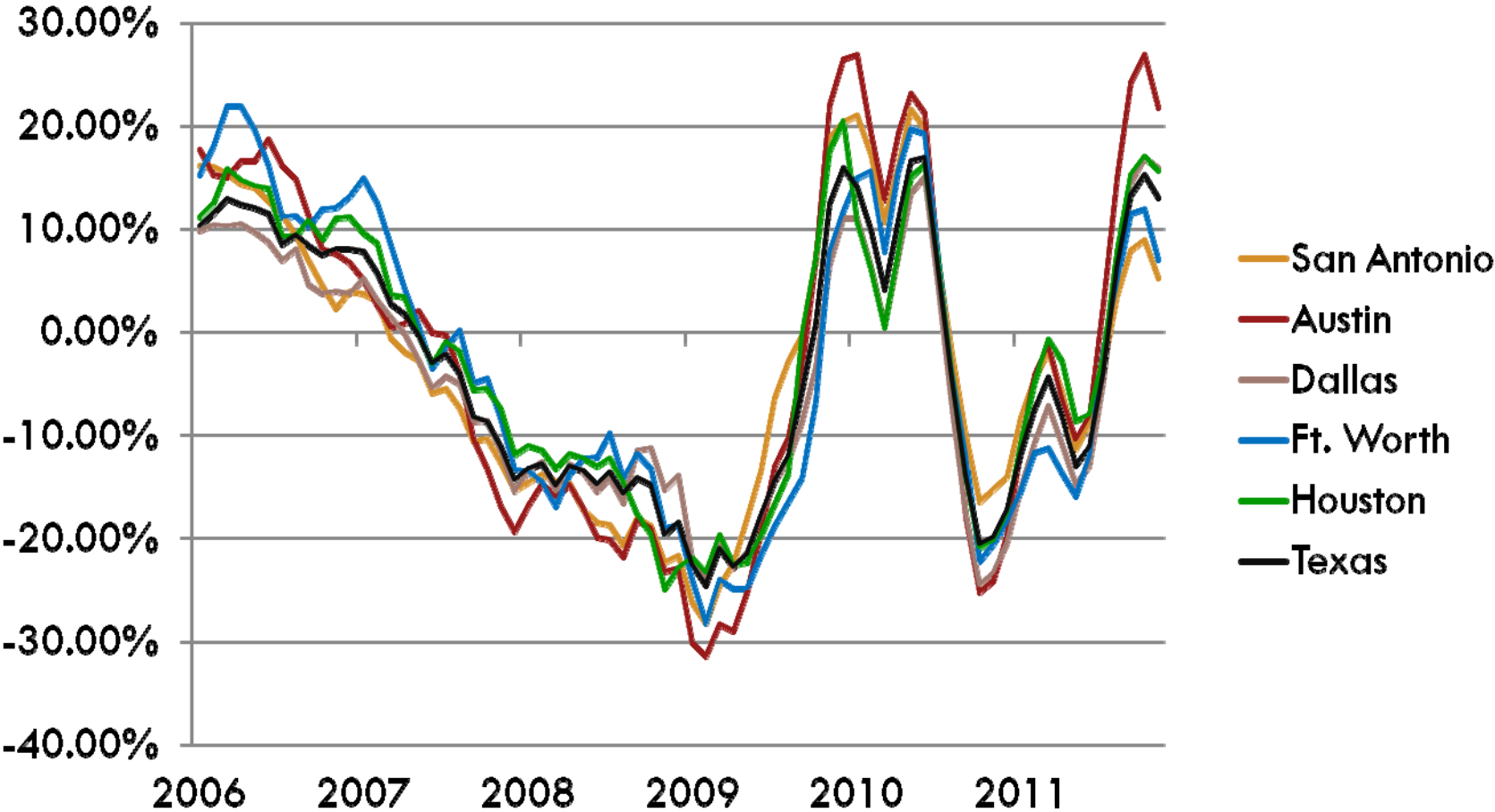
(Seasonally Adjusted - 1990 = 100)



Source: Federal Reserve Bank of Dallas

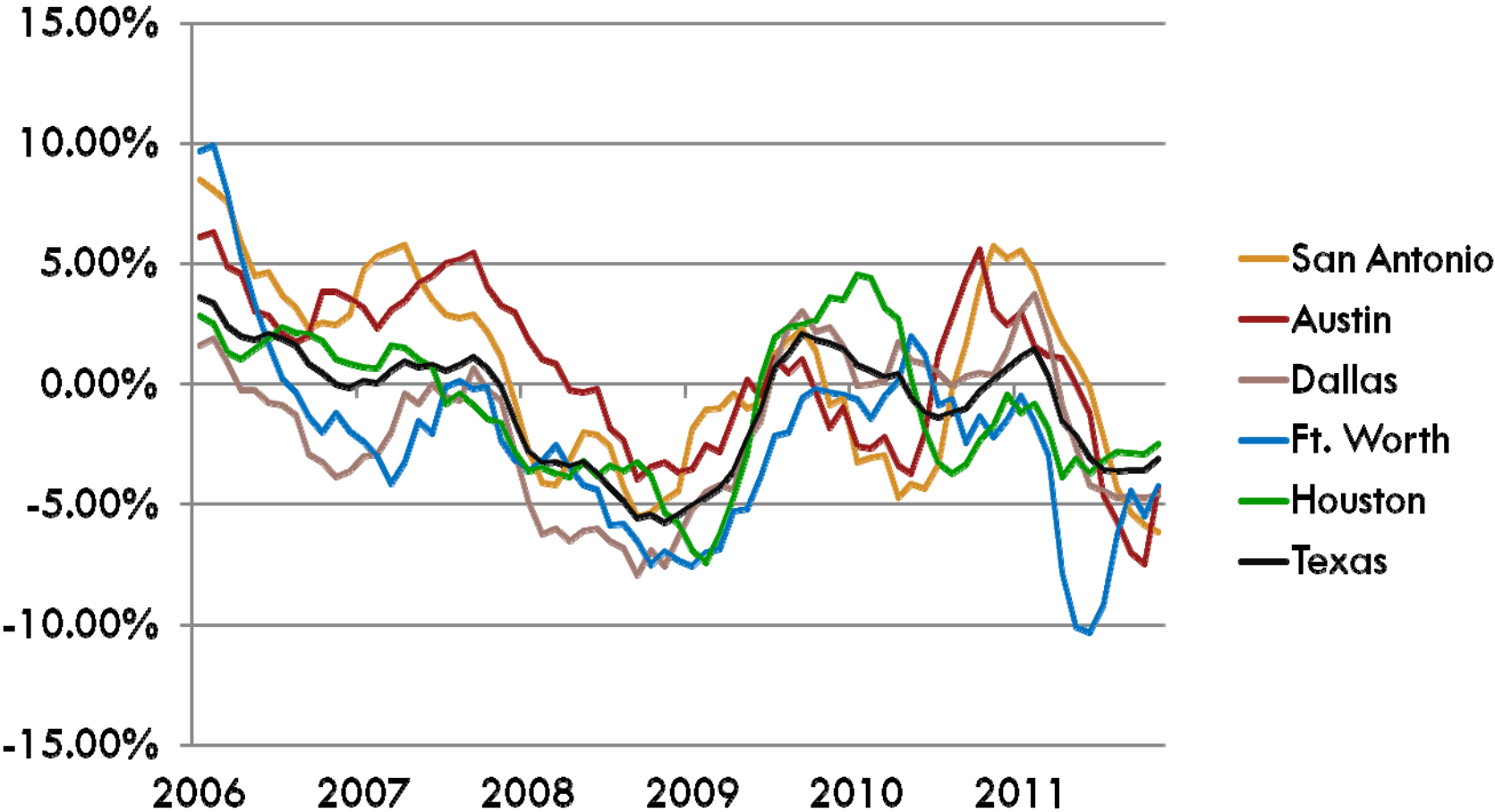
MLS Home Sales

(4MMA, % Change from Year Earlier)



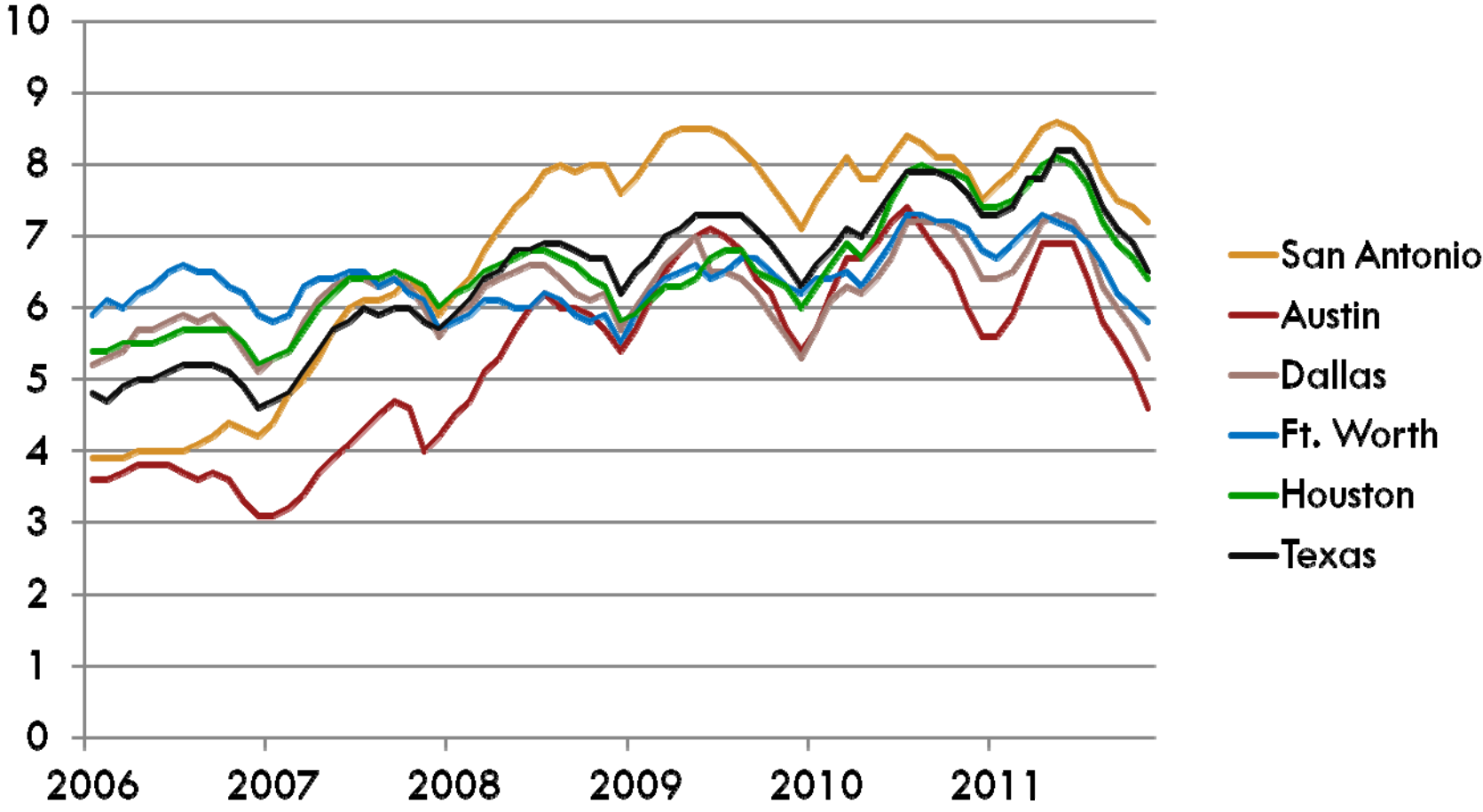
Source: Texas A&M Real Estate Center; Calculations by SABÉR Institute

MLS Real Median Home Prices (4MMA, % Change from Year Earlier)



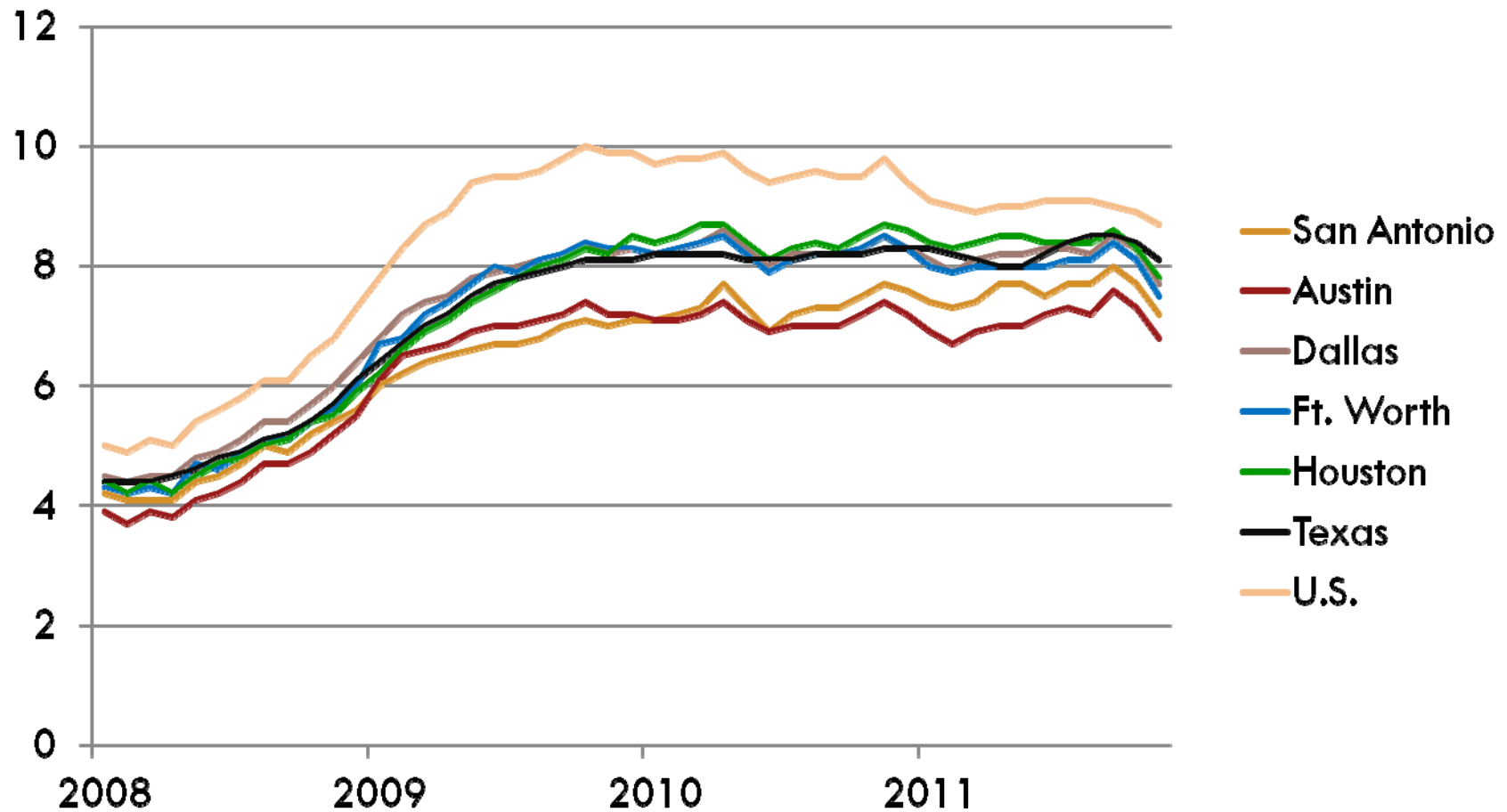
Source: Texas A&M Real Estate Center; Calculations by SABÉR Institute

Months in Inventory



Source: Texas A&M Real Estate Center

Unemployment Rate (Seasonally Adjusted)



Source: BLS; Federal Reserve Bank of Dallas

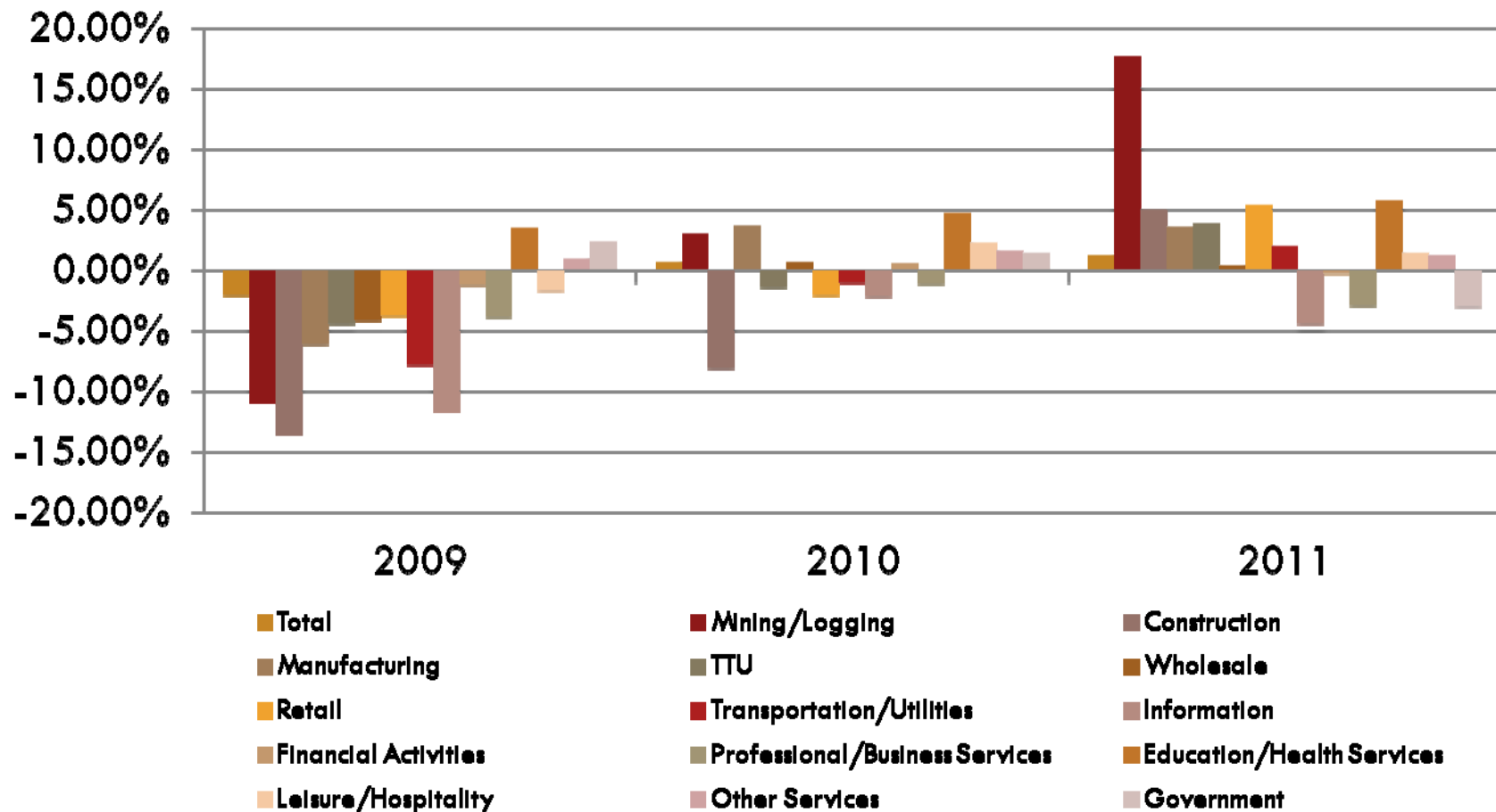
Employment Growth: Regional Comparison

Nov. 2010 – Nov. 2011

Region	Employment Growth	Employment Increase	Employment Decrease
San Antonio	1.23%	MLC, Mfg., Wholesale, Retail, TWU, Educ/Health, Hospitality, Other Services	Information, Financial, Prof. Services, Government
Austin	1.24%	Mfg., Wholesale, Retail, TWU, Financial, Educ/Health, Hospitality, Other Services	MLC, Information, Prof. Services, Government
Dallas	1.96%	Mfg., Wholesale, Retail, TWU, Financial, Prof. Services, Educ/Health, Hospitality, Other Services	MLC, Information, Government
Ft. Worth	2.01%	MLC, Mfg., Retail, TWU, Financial, Prof. Services, Educ/Health, Hospitality, Other Services	Information, Government
Houston	3.44%	MLC, Mfg., Wholesale, Retail, Financial, Prof. Services, Educ/Health, Hospitality, Other Services	TWU, Information, Government
Texas	2.17%		
U.S.	1.19%		

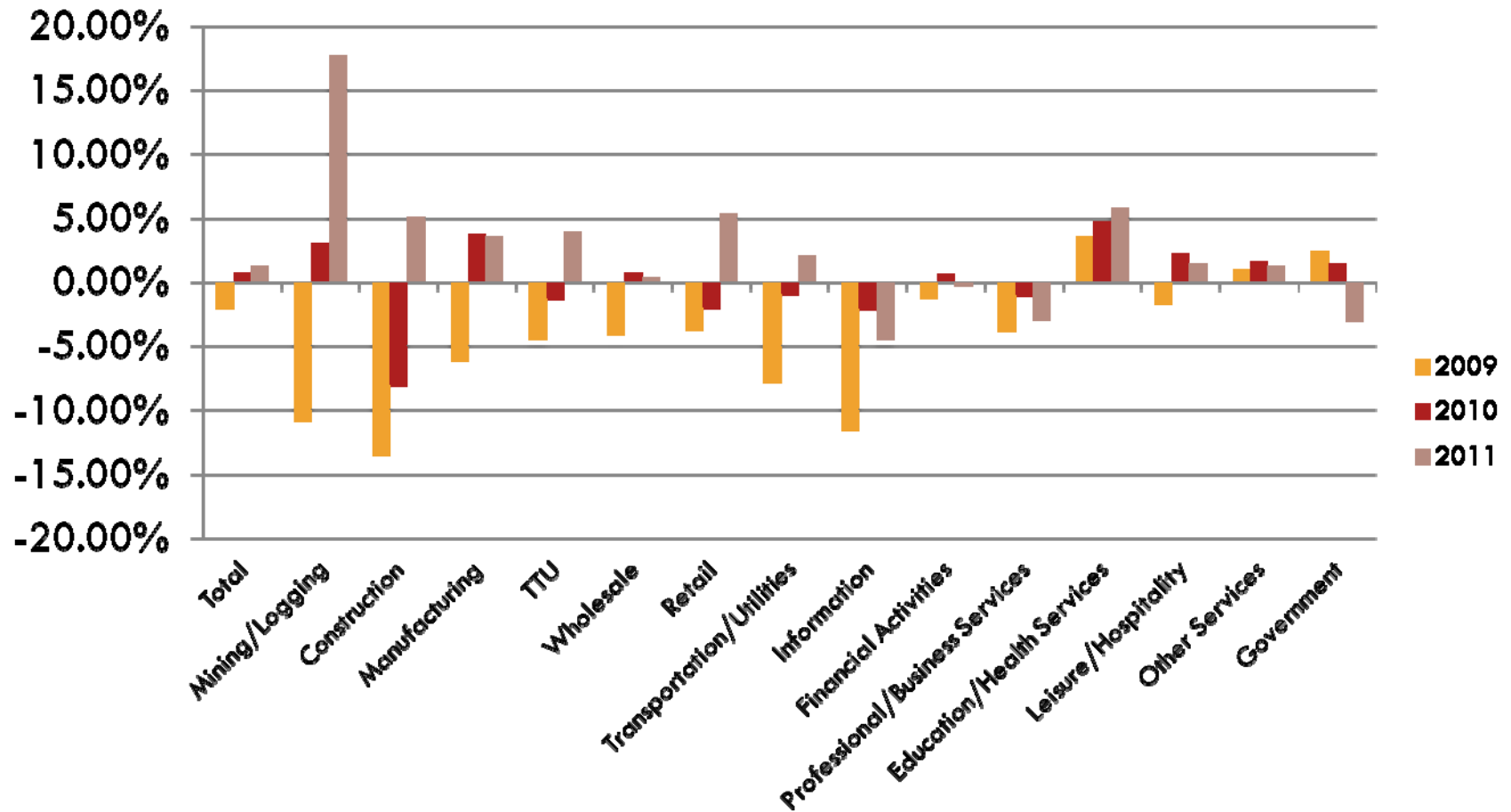
Source: BLS; Change calculations by SABÉR Institute
 MLC=Mining, Logging, and Construction; TWU=Transportation, Warehousing, Utilities

San Antonio Employment Growth (November to November)



Source: BLS; Change calculations by SABÉR Institute

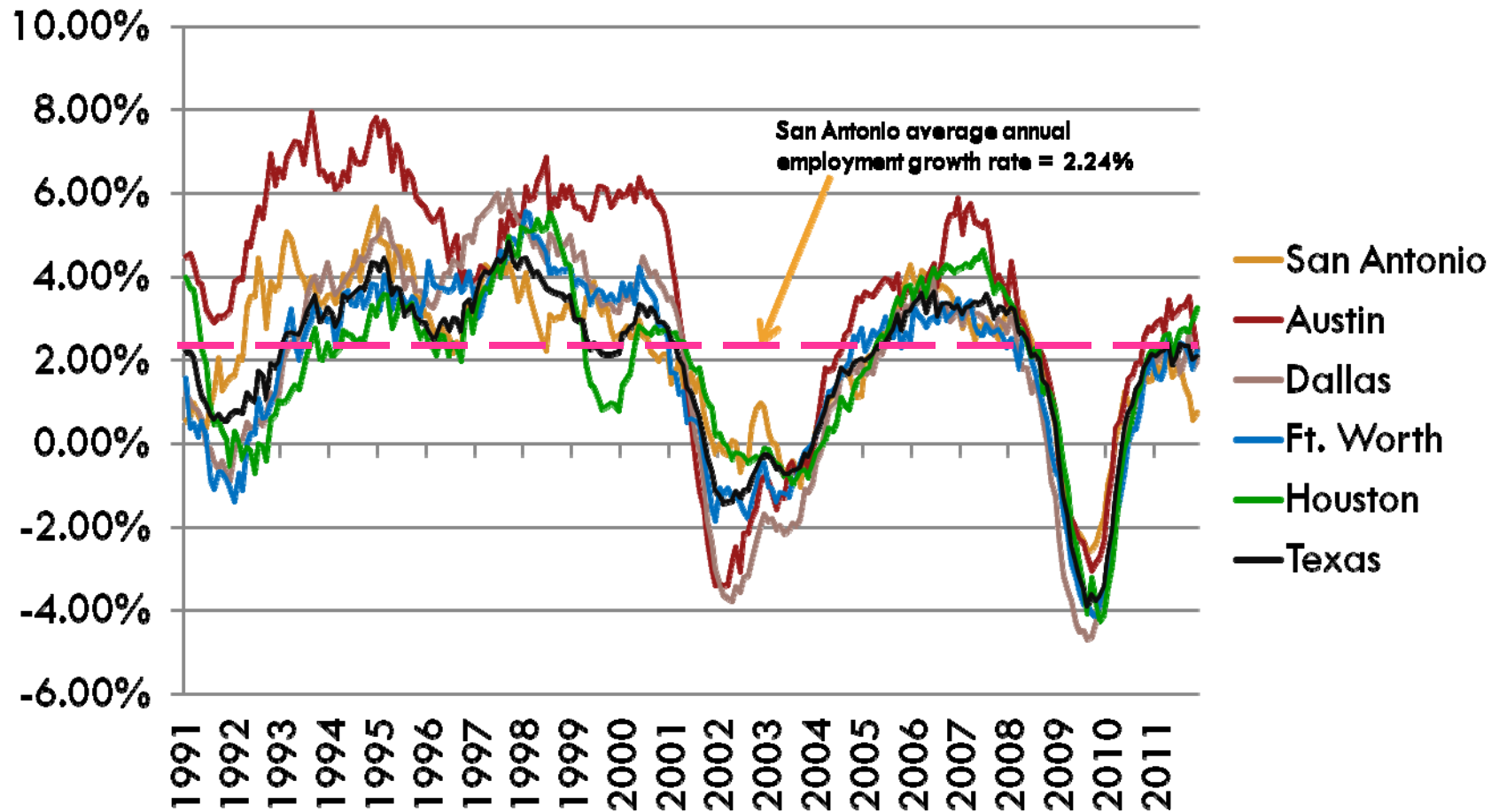
San Antonio Employment Growth (November to November)



Source: BLS; Change calculations by SABÉR Institute

Employment Growth

(Month over Month in Previous Year)



Source: Federal Reserve Bank of Dallas; Calculations by SABÉR Institute

The 2012 Employment Forecast

- 2011 Projection = 2.75-3.25%
 - ▣ Downgraded shortly after midyear update

- Employment growth of 2.0-2.25% in 2012
 - ▣ 17,000 to 19,200 new jobs

Risks to Growth in 2012

- Continued/enhanced levels of political (election) and policy uncertainty
- E.U. collapse
- Currency risk
- Continued housing market malaise
- Reaction to federal deficit/debt



Thank you!!!



Questions?