

Key Takeaways

Employment

- Total non-farm employment increased in September 2022 on a year-over-year basis in the U.S. (5,546,000 jobs, 3.8%), El Paso (6,100 jobs, 1.9%), Las Cruces (4,100 jobs, 5.7%), and Ciudad Juárez (22,100 jobs, 4.5%).
- On a monthly basis, changes in total non-farm employment across the Paso del Norte region and the U.S. in September have been mixed: increasing in Las Cruces by 2,300 jobs (3.1%) and in Ciudad Juárez by 4,200 jobs (0.8%) while stagnant in El Paso.

Inflation

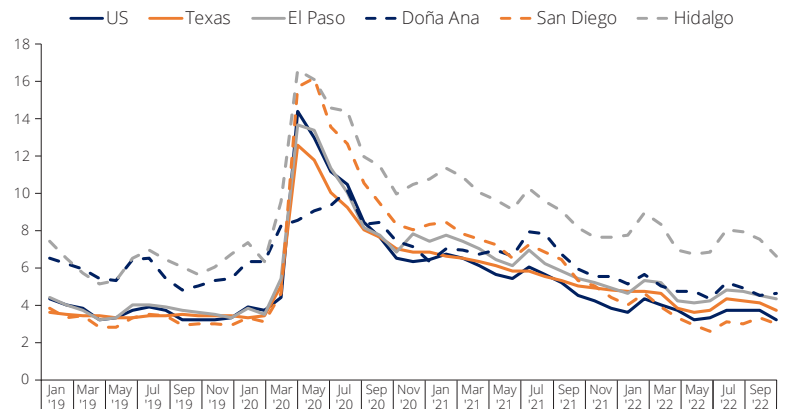
- In October, national inflation was 7.7%. While this is lower than in recent months, it is still far above pre-pandemic levels.
- During the third quarter of 2022 from selected grocery items in El Paso, the prices of bananas (119.3%), margarine (66.7%), and whole wheat bread (59.6%) saw the greatest price increase on a year-over-year basis.

Trade

- The El Paso PoE continues to be the second busiest PoE along the U.S.-Mexico border during the first three quarters of 2022.
- The Santa Teresa PoE registered the largest increase (39.6%) of the top ten PoEs for both imports and export flows in September 2022 when compared to September 2021.

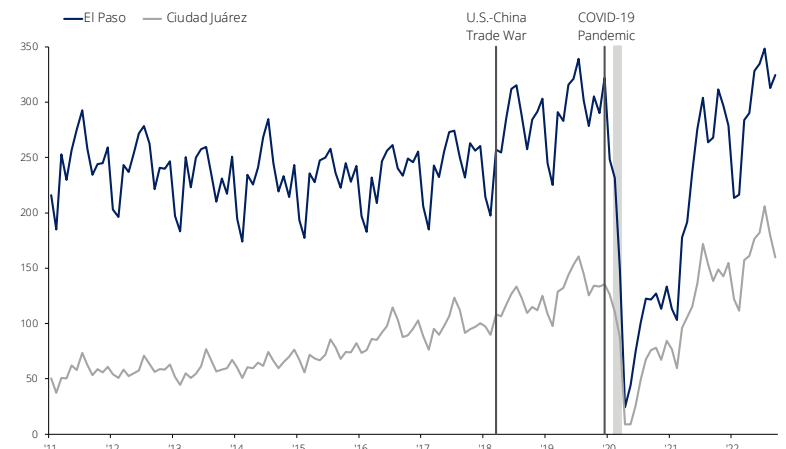
Quick-Glance Indicators

Unemployment Rates for U.S., State, and Selected MSA Economies



Note: Data as of September 2022.
Source: Hunt Institute calculations using data from the U.S. Bureau of Labor Statistics.

El Paso and Ciudad Juárez Air Passengers, Thousands



Note: Data as of September 2022. Shaded area indicates recession as defined by the National Bureau of Economic Research (2020 recession began in February and ended in April).
Source: Hunt Institute using El Paso International Airport and Grupo OMA data.

Employment

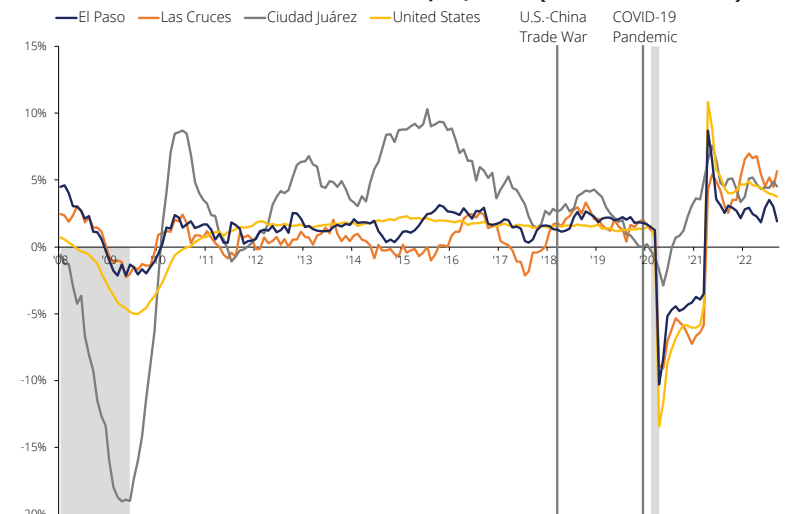
Post-pandemic Job Growth Continues

Non-farm employment in September 2022 for the Paso del Norte region exceeded that of September 2021.

September 2022 marked the eighteenth consecutive month of year-over-year non-farm employment gains for El Paso and Las Cruces. Non-farm employment gains continued for the twenty-sixth consecutive month in Ciudad Juárez. The U.S. registered its fourteenth consecutive month of non-farm employment gains.

The national economy registered year-over-year gains of 5,546,000 jobs (3.8%) in September. By comparison, total non-farm employment increased in El Paso by 6,100 jobs (1.9%), in Las Cruces by 4,100 jobs (5.7%), and in

Paso del Norte Total Non-Farm Employment (Year-over-Year, %)



Note: Preliminary data for September 2022. Shaded area indicates recession as defined by the National Bureau of Economic Research (2020 recession began in February and ended in April).
Source: Hunt Institute calculations using data from the U.S. Bureau of Labor Statistics and Instituto Mexicano del Seguro Social.

1 The top ten PoE on the U.S.-Mexico border based on 2022 total trade value are Laredo, El Paso, Otay Mesa, Hidalgo, Eagle Pass, Santa Teresa, Nogales, Brownsville, Calexico-East and Del Rio.

Ciudad Juárez by 22,100 jobs (4.5%). In a month-over-month comparison, the U.S. gained 523,000 jobs (0.3%), Las Cruces grew by 2,300 jobs (3.1%), and Ciudad Juárez increased by 4,200 jobs (0.8%). El Paso decreased by 100 jobs (-0.03%).

The Hunt Institute tracks five non-farm employment sectors in the Paso del Norte region. El Paso exhibited growth in all but one sector in a year-over-year comparison for September 2022, while Las Cruces gained jobs in two out of the five sectors. Ciudad Juárez and the U.S. added jobs in all sectors. The Services sector drove year-over-year job growth in El Paso, Las Cruces, and the U.S., while in Ciudad Juárez the Manufacturing sector drove growth. In El Paso, the Services sector grew by 4,300 jobs (2.0%), the Trade sector by 400 jobs (0.8%), the Transportation and Utilities sector by 1,300 jobs (7.7%), and the Manufacturing sector by 1,100 jobs (6.8%); the Mining and Construction sector decreased by 1,000 jobs (-5.3%). In Las Cruces, non-farm employment increased in the Services sector by 4,000 jobs (7.4%), and in the Mining and Construction sector by 400 jobs (10.8%). It decreased by 300 jobs (-3.3%) in the Trade sector, and remained stagnant in the Manufacturing sector and the Transportation and Utilities sector. Ciudad Juárez recorded increases in all sectors: 13,800 jobs (4.2%) added in the Manufacturing sector, 1,000 jobs (2.1%) in the Trade sector, 3,200 jobs (21.5%) in the Mining and Construction sector, 1,500 jobs (5.7%) in the Transportation and Utilities sector, and 2,600 jobs (3.8%) in the Services sector.

the Trade sector by 100 jobs (0.2%). The Manufacturing sector lost 200 jobs (-1.1%), while the Services sector and the Mining and Construction sector remained stagnant.

Las Cruces exhibited employment growth in one of the five sectors in a month-over-month comparison as the Services sector grew by 2,500 jobs (4.5%). The Trade sector and the Mining and Construction sector both lost 100 jobs (-1.1% and -2.4%, respectively).

Ciudad Juárez demonstrated moderate job gains in four sectors in a month-over-month comparison. Manufacturing increased by 3,000 jobs (0.9%), Mining and construction added 800 jobs (4.4%), the Services sector by 600 jobs (0.8%), and the Transportation and Utilities sector expanded by 400 jobs (1.3%). The Trade sector, however, lost 500 jobs (-0.9%).

Inflation

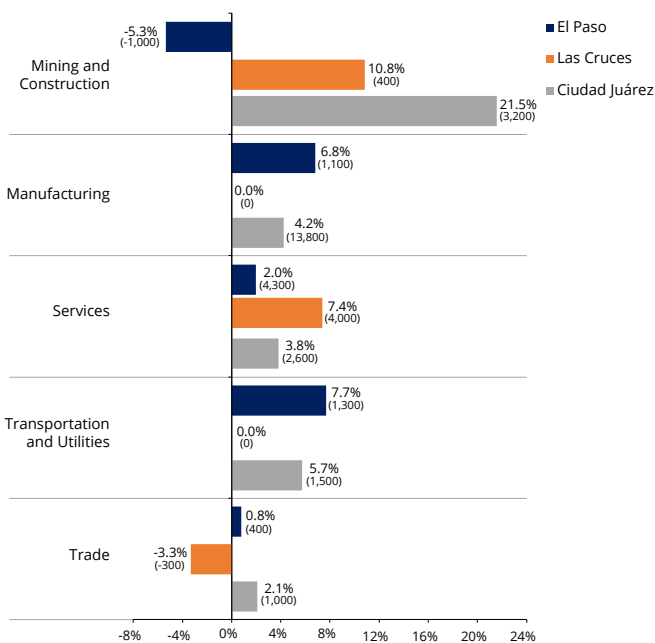
Inflation

In October 2022, U.S. inflation fell to 7.7% from 8.2% in September 2022.

National inflation—measured by the annual growth rate of the Consumer Price Index (CPI)—fell to 7.7% in October from 8.2% in September from a 40-year high of 9.1% in June 2022. Energy inflation has slowed down its pace and now sits at 17.6%, which is a considerable drop compared to the 42-year high experienced in June of 41.6%. Food inflation reached 10.9%, a slight decrease compared to 11.2% in September. Core inflation, which excludes energy and food items, was at 6.3% in October.

In El Paso County, bananas (119.3%), margarine (66.7%), whole wheat bread (59.6%), red potatoes (58.8%), and eggs (44.7%), recorded the largest price increases in the third quarter of 2022 on a year-over-year basis from a list of selected grocery items. This may also be a consequence of the rise in energy prices, particularly gasoline. The conflict between Russia and Ukraine disrupted oil supplies in that region, which may have resulted in a bump in gas prices worldwide, as Russia is the world's second-largest oil producer. Recent supply chain shortages have also exacerbated the number of items available at a given time, pushing prices upward as well.

Paso del Norte Total Non-Farm Employment by Sector, September 2022 (Year-over-Year)



Note: Preliminary data for September 2022. Services excludes Transportation and Utilities, and Trade. Numbers are rounded to the nearest hundred.

Source: Hunt Institute calculations using data from the U.S. Bureau of Labor Statistics and Instituto Mexicano del Seguro Social.

In a month-over-month comparison, El Paso's non-farm employment gains occurred in two of the five sectors. The Transportation and Utilities sector grew by 100 jobs (0.6%), and

Average Price for Selected Grocery Items in El Paso, 2022 Q3 and 2021 Q3

Grocery Item	A 2021 Q3	B 2022 Q3	B-A	B-A (Δ%)
Bananas	\$0.48	\$1.06	\$0.58	119.3%
Margarine Blue Bonnet or Parkay	\$1.20	\$2.00	\$0.80	66.7%
Whole Wheat Bread 100%	\$2.84	\$4.53	\$1.69	59.6%
Red Potatoes	\$3.72	\$5.91	\$2.19	58.8%
Eggs Grade A or AA Large	\$2.18	\$3.15	\$0.97	44.7%

Note: The average price per item was calculated based on the price from nine different grocery stores in the East, Northeast, and West regions of El Paso County

Source: The Hunt Institute for Global Competitiveness using data from Workforce Solutions.

Trade

Trade Above Pre-Pandemic Levels

Apart from Eagle Pass and Brownsville, total trade across the top ten U.S.-Mexico Border Ports of Entry (PoE) remain above pre-pandemic levels.²

Total trade across the top ten U.S.-Mexico Border Ports of Entry (PoE) increased during the first three quarters of 2022 on a year-over-year basis. Ports of Entry located in the Paso del Norte Region remained in the top five positions for total trade during this time period.

On a year-over-year basis, during the period of January to September 2022, the top ten PoEs registered \$492,709.8 million in total trade, an increase of \$74,026.5 million (17.7%) compared to the same period in 2021. Only Eagle Pass and Brownsville registered a decrease in total trade in September when compared to the same period in 2021. These PoEs decreased by \$2.1 million (-0.1%) and \$165.9 million (-7.7%), respectively.

The Santa Teresa PoE registered the largest increase during this time with \$4,605.9 million (23.2%). Laredo and Del Rio followed second and third with \$39,957.9 million (21.8%) and \$722.2 million (21.2%), respectively. El Paso showed an increase of \$11,470.0 million (17.5%), although it experienced a decrease of \$197.6 million (-2.1%) in total trade in September when compared to the previous month.

Top Ten U.S.-Mexico Border Ports of Entry for Total Trade with World, Million USD

Port of Entry	A Jan-Sep 2021	B Jan-Sep 2022	B-A	B-A (Δ%)	September 2022	
					MoM	YoY
Laredo, TX	\$183,502.2	\$223,478.1	\$39,975.9	21.8%	-\$1,346.9	\$5,310.7
El Paso, TX	\$65,627.3	\$77,097.3	\$11,470.0	17.5%	-\$197.6	\$1,583.5
Otay Mesa, CA	\$40,671.3	\$46,943.6	\$6,272.3	15.4%	\$126.4	\$954.5
Hidalgo, TX	\$30,952.3	\$35,300.5	\$4,348.3	14.0%	-\$163.0	\$605.8
Santa Teresa, NM	\$19,819.0	\$24,424.9	\$4,605.9	23.2%	-\$241.8	\$850.4
Eagle Pass, TX	\$24,905.3	\$25,500.2	\$594.9	2.4%	\$362.6	-\$2.1
Nogales, AZ	\$18,722.7	\$22,083.1	\$3,360.4	17.9%	\$97.0	\$345.0
Brownsville, TX	\$16,887.4	\$17,872.9	\$985.4	5.8%	-\$171.4	-\$165.9
Calexico-East, CA	\$14,182.2	\$15,873.4	\$1,691.2	11.9%	-\$23.2	\$224.4
Del Rio, TX	\$3,413.6	\$4,135.8	\$722.2	21.2%	-\$20.3	\$180.5

Note: Top ten in 2022. El Paso PoE includes Ysleta PoE. YoY denotes year-over-year; MoM denotes month-over-month.

Source: Hunt Institute calculations using data from the U.S. Census Bureau.

During the first three quarters of 2022, the top six U.S.-Mexico border ports of entry for imports registered \$264,812.5 million in imports, an increase of \$43,024.8 million (19.4%) when compared to the same period in 2021.³ On a year-over-year

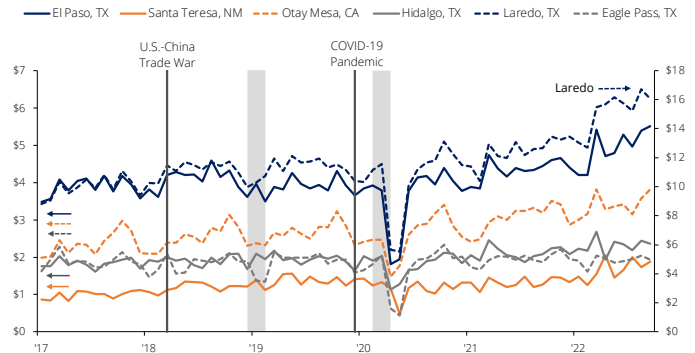
² The top ten PoE on the U.S.-Mexico border based on 2022 total trade value are Laredo, El Paso, Otay Mesa, Hidalgo, Eagle Pass, Santa Teresa, Nogales, Brownsville, Calexico-East and Del Rio.

³ The top six PoE on the U.S.-Mexico border based on 2022 export and import value are El Paso, Santa Teresa, Otay Mesa, Hidalgo, Laredo, and Eagle Pass.

⁴ Ibid.

basis, the top six ports of entry for imports recorded gains in September 2022 relative to September 2021. The Santa Teresa PoE (\$604 million or 47.6%) and Laredo PoE (\$3,399.3 million or 26.9%) led with the largest relative increases.

Top U.S.-Mexico Border PoE for Imports from the World, Billion USD (Year-over-Year, %)

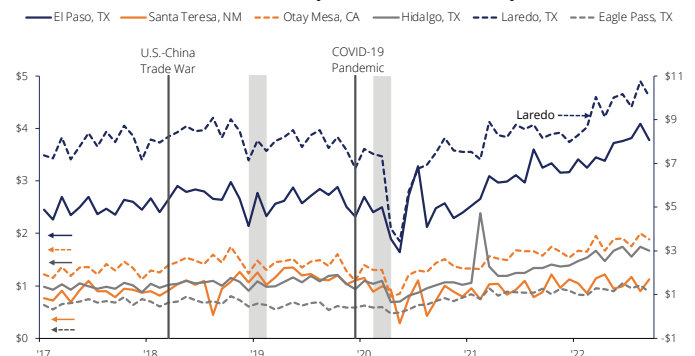


Note: Data as of September 2022. Top six ports in total trade. El Paso PoE includes Ysleta PoE. Shaded area indicates recession as defined by the National Bureau of Economic Research (2020 recession began in February and ended in April).

Source: Hunt Institute calculations using data from the U.S. Census Bureau.

The top six U.S.-Mexico border ports of entry for exports recorded more exports in the first three quarters of 2022 when compared to the same period in 2021.⁴ The ports of entry exported \$24,242.5 million (16.9%) more goods in the first three quarters of 2022 than in 2021. The Santa Teresa PoE had the largest relative increase in exports at 28.0% (\$245.0 million) and Eagle Pass exhibited a decrease of \$68.2 million (-7.2%) in September 2022 when compared to September 2021, being the only PoE out of the top six to exhibit a decrease.

Top U.S.-Mexico Border PoE for Exports to the World, Billion USD (Year-over-Year, %)



Note: Data as of September 2022. Top six ports in total trade. El Paso PoE includes Ysleta PoE. Shaded area indicates recession as defined by the National Bureau of Economic Research (2020 recession began in February and ended in April).

Source: Hunt Institute calculations using data from the U.S. Census Bureau.

About Hunt Institute for Global Competitiveness

Since 2014, the Hunt Institute for Global Competitiveness at The University of Texas at El Paso has provided economic analysis of the Paso del Norte Region that includes the binational communities of El Paso, Texas; Las Cruces, N.M.; and Ciudad Juárez, Mexico. The mission of the Hunt Institute is to produce high-quality market analysis tools that strengthen regional and binational cross-border social and economic development.