



TEXAS

“In March the Texas economy saw **sluggish employment gains**.

Labor market tightness eased, and initial unemployment claims rose in mid-April.

The March Texas Business Outlook Surveys (TBOS) indicated **upward price pressures**.

Exports increased in February, and the Texas leading index was flat in March.” – Apr 2024 – Texas Economic Indicators – Dallas Fed

AUSTIN

“In February, **Austin job growth accelerated** and was accompanied by solid wage growth.

In contrast, **the unemployment rate increased, and median home prices fell.**”

– Apr 2024 – Austin Economic Indicators – Dallas Fed

UNITED STATES

“Recent developments continue to support a ‘soft landing’ for the economy, which means inflation returning to the Federal Reserve’s longer-run goal of 2% without triggering a recession.

The labor market remains robust with the January 2024 unemployment rate holding steady at 3.7%, and nonfarm payroll employment rising by 353,000 jobs.

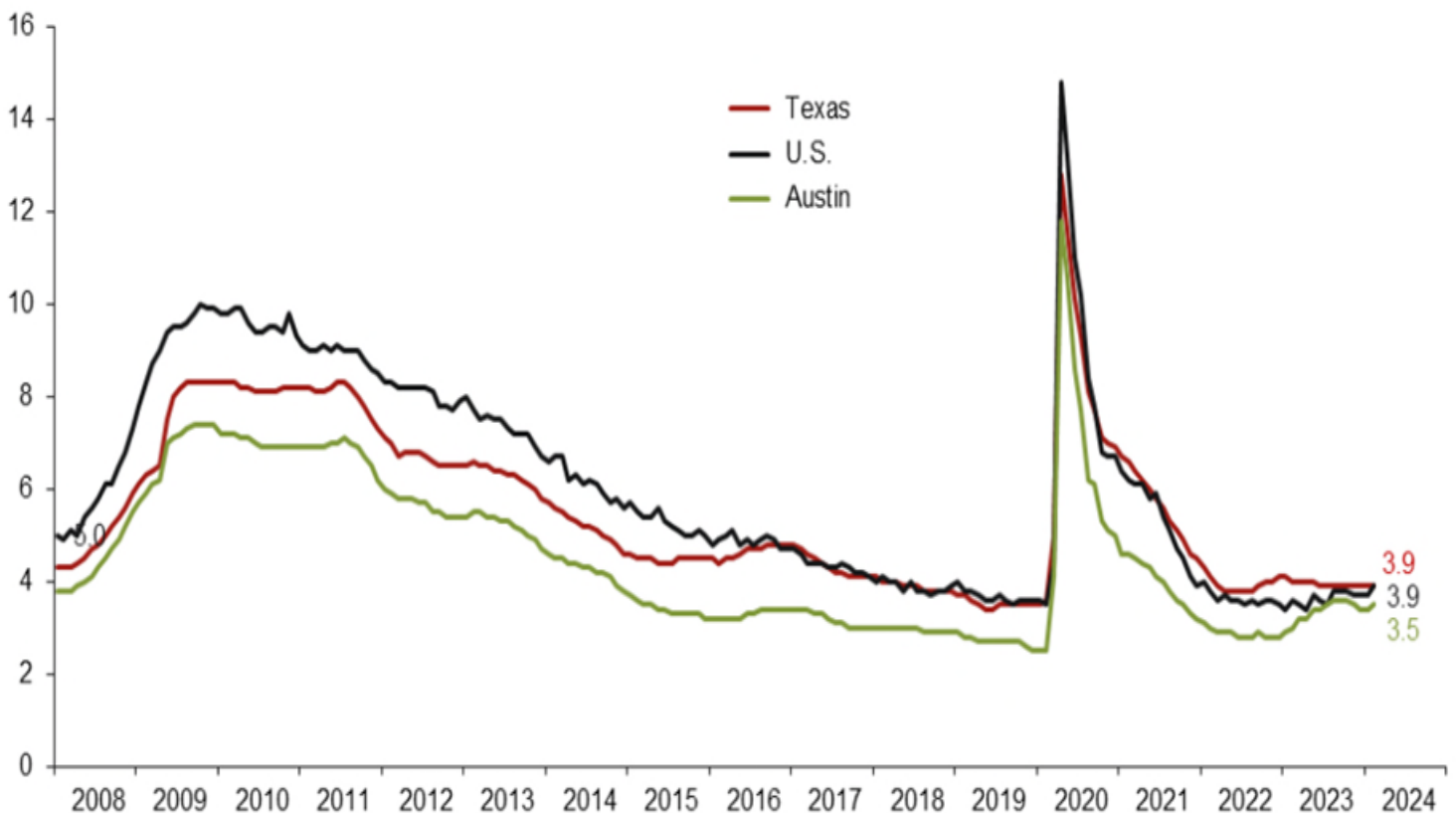
Real GDP grew at a solid pace of 3.2% in the fourth quarter of 2023. Given the current restrictive stance of monetary policy, **we expect real GDP growth to slow towards our 1.7% estimate** of trend growth over the forecast horizon.” – Mar 2024 – FedViews – San Francisco Fed

JOBS – UNEMPLOYMENT RATES – AUSTIN MSA, TEXAS, U.S.

“Austin’s unemployment rate rose to 3.5 percent, remaining below the state’s and the nation’s rate of 3.9 percent. In February, the local labor force increased an annualized 8.8 percent, while the state’s increased 2.1 percent and the nation’s fell 0.1 percent.” – Apr 2024 – Austin Economic Indicators – Dallas Fed

Unemployment rate

Percent*



*Seasonally adjusted.

SOURCE: Bureau of Labor Statistics.

Federal Reserve Bank of Dallas

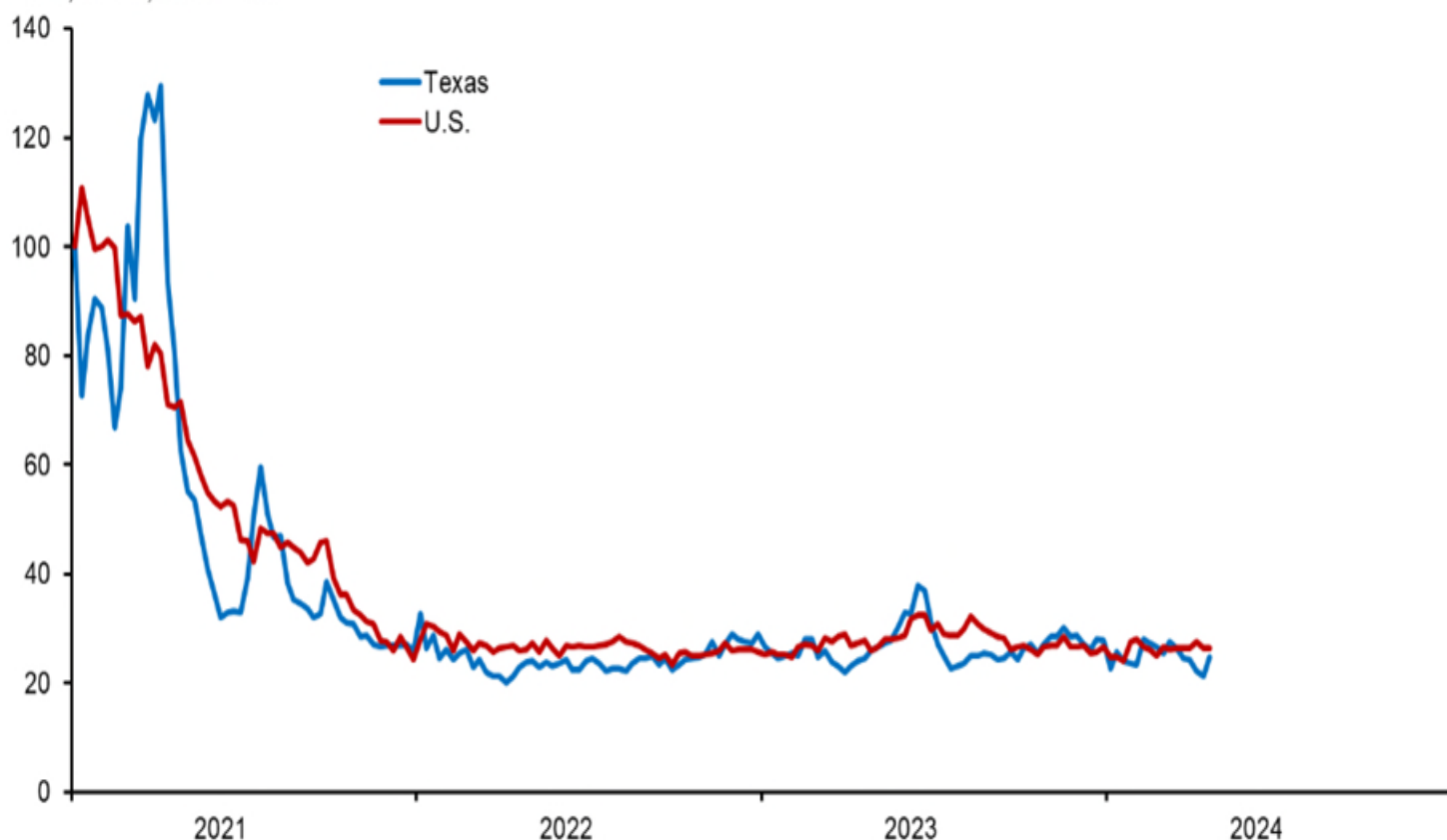
Provided by Federal Reserve of Dallas – Austin Economic Indicators – Apr 2024

JOBS – UNEMPLOYMENT INITIAL CLAIMS – TEXAS

“Initial unemployment claims rose in Texas in mid-April after easing from March through early April. During the week ending April 13, initial claims in Texas ticked up to 14,645 while U.S. levels were little changed.” – Apr 2024 – Texas Economic Indicators – Dallas Fed

Unemployment initial claims

Index, Jan. 2, 2021 = 100*



*Seasonally adjusted

NOTE: Data are weekly through the week ending April 13, 2024.

SOURCE: Department of Labor.

Federal Reserve Bank of Dallas

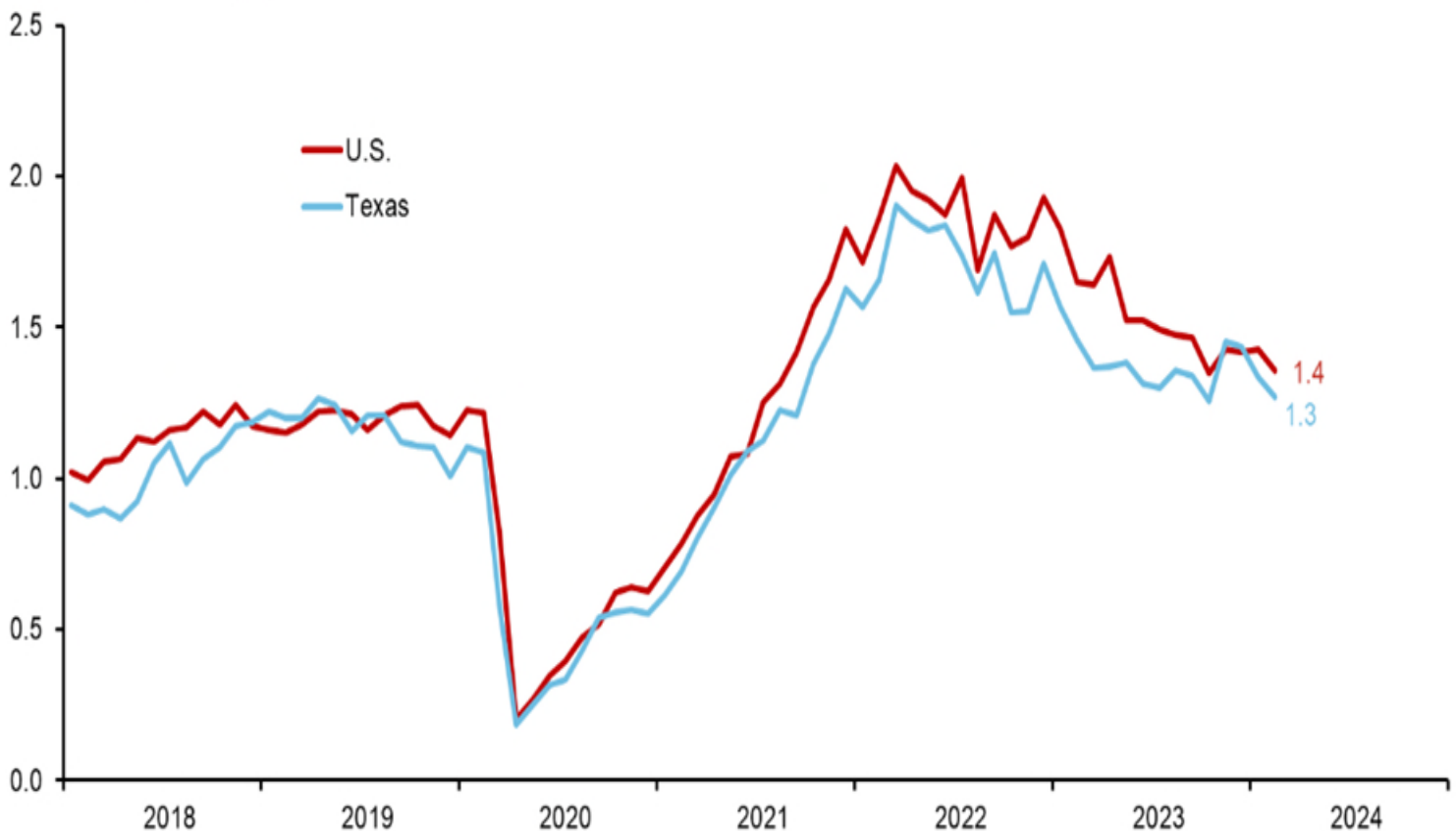
Provided by Federal Reserve of Dallas – Austin Economic Indicators – Apr 2024

JOBS – JOB OPENNINGS PER UNEMPLOYED – TEXAS

“In February, Texas had 1.3 vacancies per unemployed worker, a measure of labor tightness. This is slightly lower than the nation’s 1.4. For both the U.S. and Texas, the number of job openings per unemployed worker has been declining steadily since March 2022.” – Apr 2024 – Texas Economic Indicators – Dallas Fed

Job openings per unemployed

Vacancies per unemployed*



*Seasonally adjusted.

NOTE: Data are monthly through February 2024.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by the Federal Reserve Bank of Dallas.

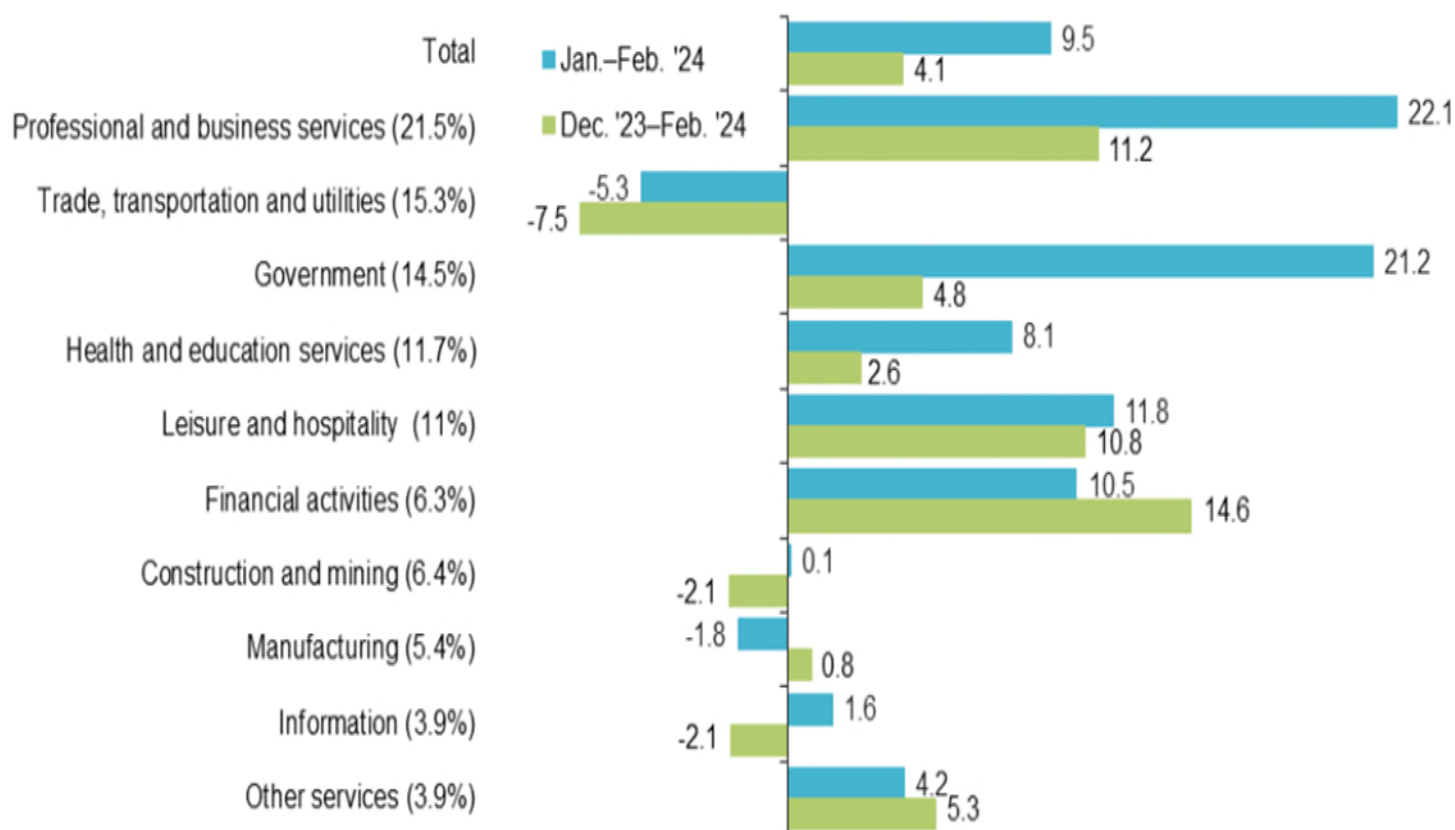
Federal Reserve Bank of Dallas

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Apr 2024

JOBS – EMPLOYMENT GROWTH BY SECTOR – AUSTIN

“Austin employment [growth] increased 9.5 percent in February after decreasing 1.0 percent in January. Sectors with the most growth were professional and business services (4,811 jobs), government (3,119 jobs), and leisure and hospitality (1,382 jobs). Sectors that saw a decline included trade, transportation and utilities (-952 jobs) and manufacturing (-112 jobs). **Year to date, Austin has seen 4.1 percent employment growth**, below the state’s 4.3 percent but above the nation’s 2.1 percent.” – Apr 2024 – Austin Economic Indicators – Dallas Fed

Employment growth by sector



NOTE: Data show seasonally adjusted and annualized percentage employment growth by industry. Numbers in parentheses represent the share of total employment and may not sum to 100 due to rounding.

SOURCE: Bureau of Labor Statistics; Texas Workforce Commission; adjustments by the Dallas Fed.

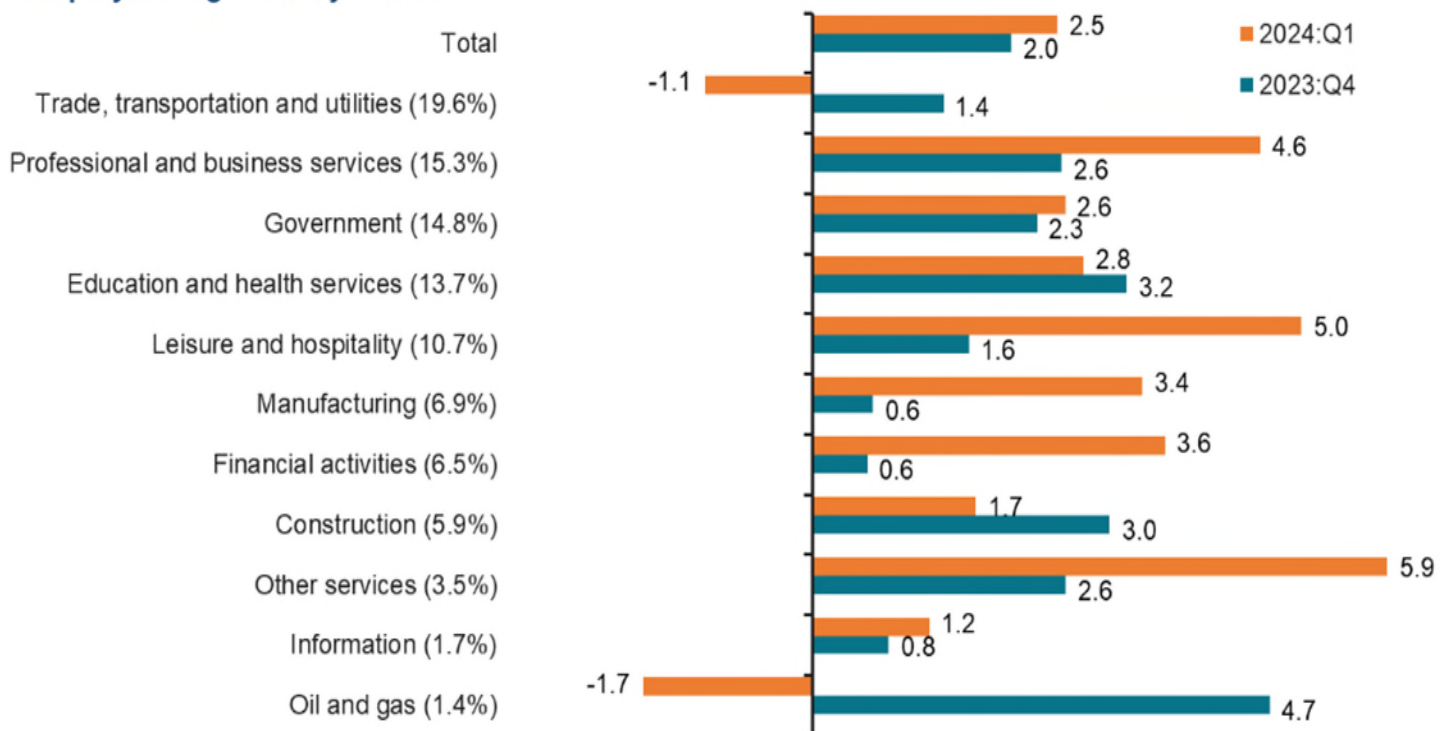
Federal Reserve Bank of Dallas

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Apr 2024

JOBS – EMPLOYMENT GROWTH BY SECTOR – TEXAS

“Texas employment expanded an annualized 1.6 percent in March. **Job growth was an annualized 2.5 percent** (42,316 jobs) in the first quarter, faster than the 2.0 percent (42,064) increase in fourth quarter 2023. First-quarter job growth was generally broad based across sectors, though **employment in trade, transportation and utilities and oil and gas declined**. Education and health services, and construction employment growth slowed in the first quarter. **Professional and business services, leisure and hospitality, and other services saw strong gains, accelerating to more than 4.5 percent**. The Dallas Fed’s Texas Employment Forecast was revised down to 2.3 percent job growth this year (December/December).” – Apr 2024 – Texas Economic Indicators – Dallas Fed

Employment growth by sector



NOTES: Data show the seasonally adjusted, annualized percent change. Numbers in parentheses represent the share of total Texas employment in March 2024.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; adjustments by the Federal Reserve Bank of Dallas.

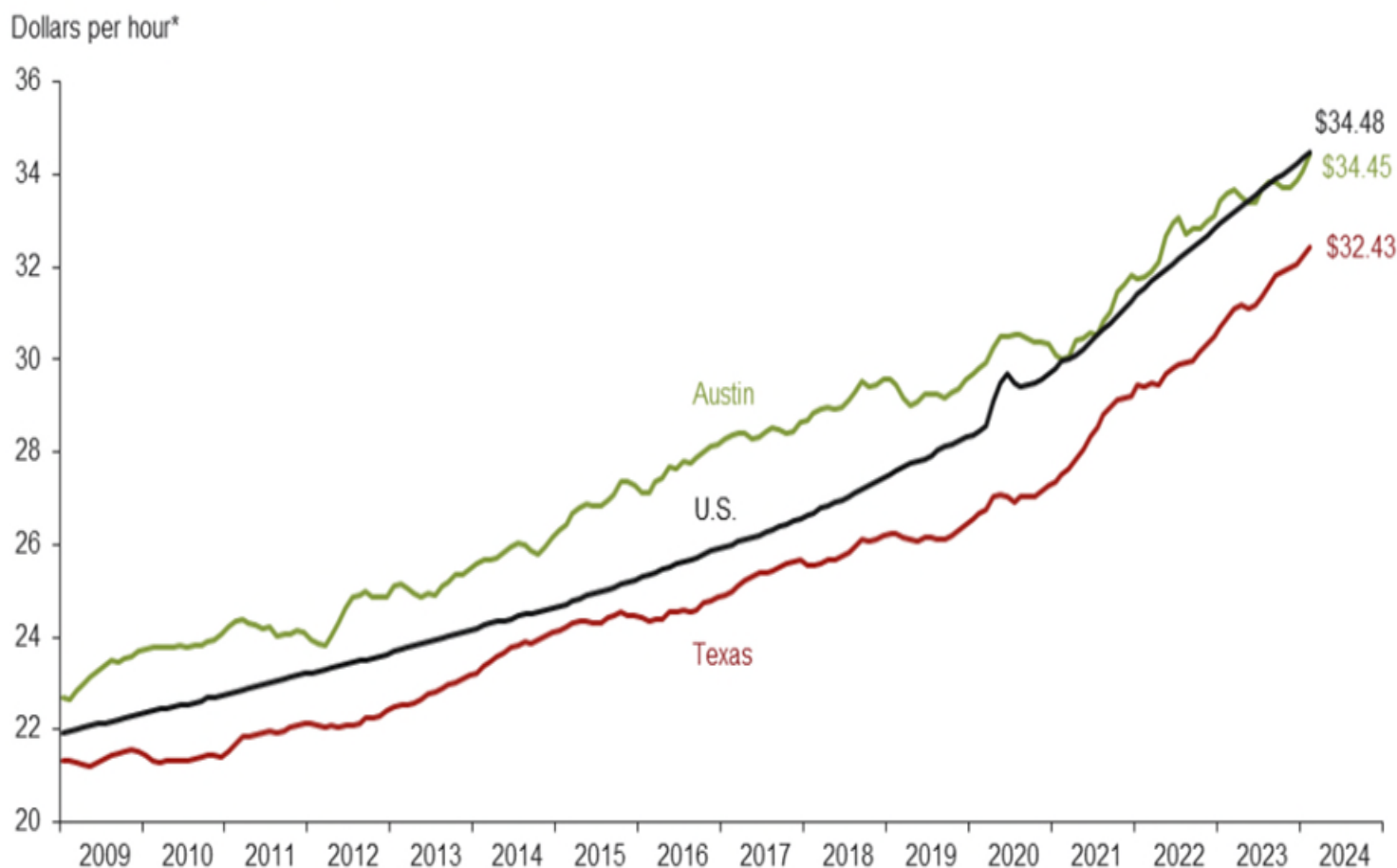
Federal Reserve Bank of Dallas

Provided by Federal Reserve of Dallas – Texas Economic Indicators – Apr 2024

JOBS – PRIVATE SECTOR AVERAGE HOURLY EARNINGS – AUSTIN

“Austin’s three-month moving average of wages increased an annualized 4.0 percent in February. The average hourly wage was \$34.45 – about the same as the nation’s average of \$34.48 and higher than the state’s rate of \$32.43. Year over year, Austin wage growth of 3.5 percent was slower than U.S. gains of 4.3 percent and Texas growth of 4.6 percent.” – Apr 2024 – Austin Economic Indicators – Dallas Fed

Private sector average hourly earnings



*Seasonally adjusted, three-month moving average.

SOURCE: Bureau of Labor Statistics; Texas Workforce Commission; adjustments by the Dallas Fed.

Federal Reserve Bank of Dallas

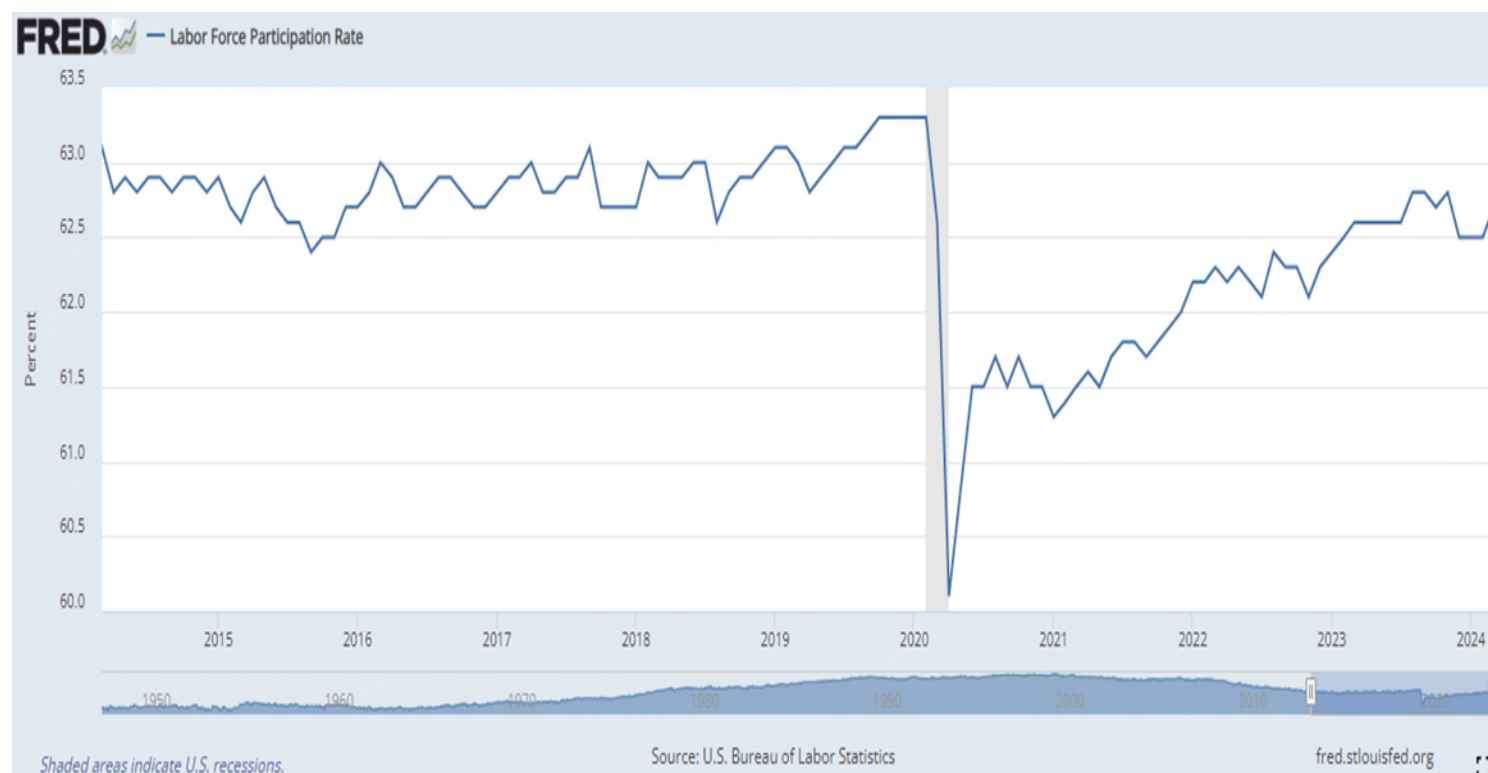
Provided by Federal Reserve of Dallas – Austin Economic Indicators – Apr 2024

JOBS – LABOR PARTICIPATION RATE IN THE U.S.

“Both the labor force participation rate, at 62.7 percent, and the employment-population ratio, at 60.3 percent, were little changed in March. These measures showed little change over the year.

The number of people employed part time for economic reasons, at 4.3 million, changed little in March. These individuals, who would have preferred full-time employment, were working part time because their hours had been reduced or they were unable to find full-time jobs.

In March, the number of people not in the labor force who currently want a job, at 5.4 million, was little changed. These individuals were not counted as unemployed because they were not actively looking for work during the 4 weeks preceding the survey or were unavailable to take a job.” – The Employment Situation – Apr 2024 – Bureau of Labor Statistics



JOBS – LACK OF CONSTRUCTION WORKERS

“The shortfall in new housing starts is likely due to a number of contributing factors. These include the limited availability of developable land where demand is strongest and the high cost of construction materials like lumber. Another contributor may be the limited supply of construction workers. **The job vacancy rate in the construction sector was 5.5% in December 2023, which is close to its historical high.** These data suggest that builders are facing difficulties finding and hiring the qualified workers needed to expand production. The construction sector’s labor situation may be slow to resolve because many construction tasks require specialized skills that can take a long time to acquire.” – Mar 2024 – FedView – San Francisco



Provided by San Francisco Fed - FedView - Mar 2024

HOUSING – AUSTIN HOME INVENTORIES

“Austin home inventories continued to rise in December, increasing to 4.1 months, which is higher than 3.6 months for both the state and the nation. However, months of inventory remained below six months, which is considered a balanced housing market. A year ago, home inventory levels in Austin were 3.0 months, while they were 2.7 months in Texas and 3.3 months in the U.S.” – Feb 2024 – Austin Economic Indicators – Dallas Fed

Austin home inventories



*Seasonally adjusted.

SOURCE: Multiple Listing Service; Real Estate Center at Texas A&M University, adjustments by the Dallas Fed.

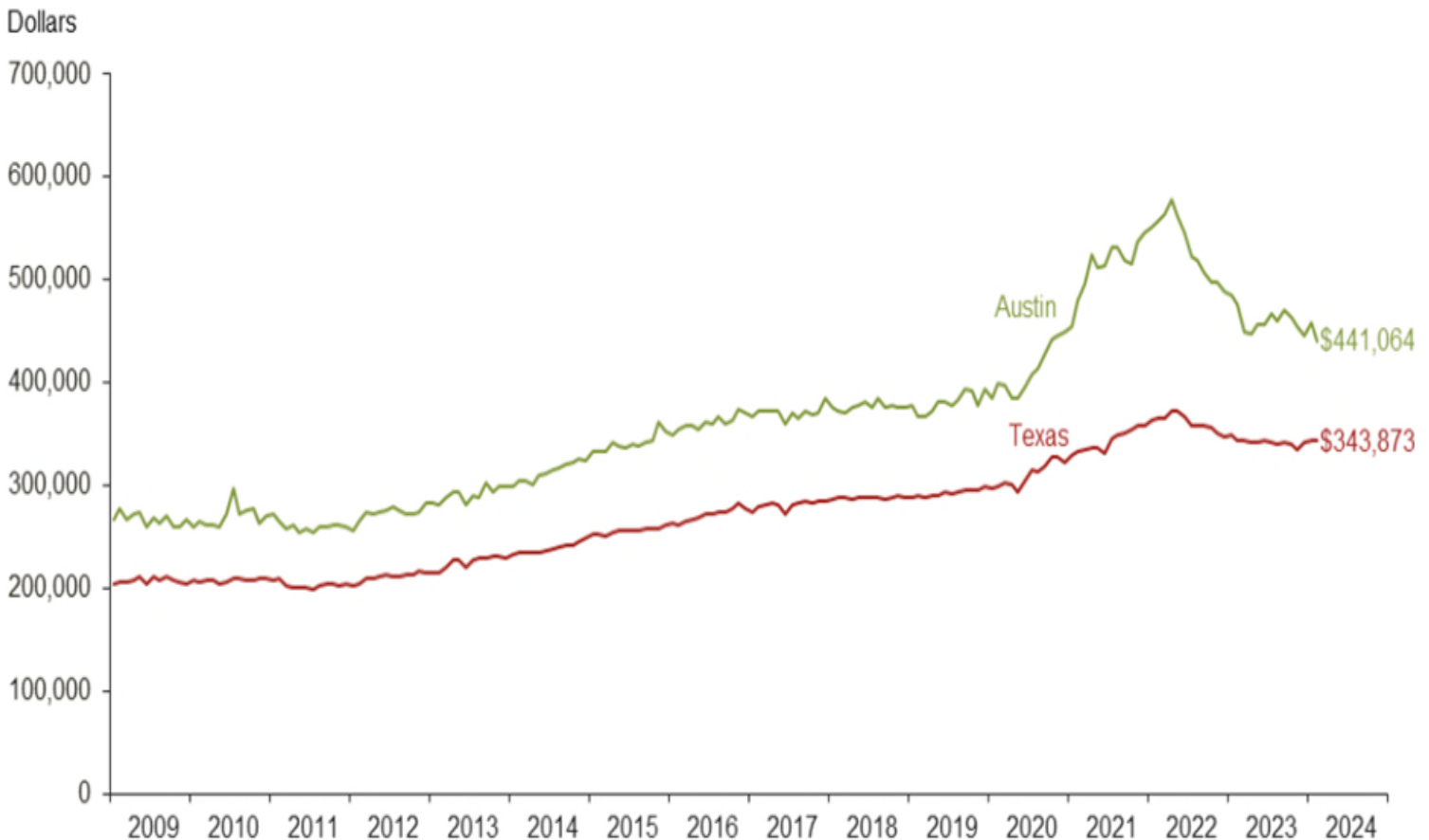
Federal Reserve Bank of Dallas

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Feb 2024

HOUSING – AUSTIN MEDIAN PRICES

“Austin’s median home prices declined 3.7 percent in February. Texas home prices were also slightly down – 0.01 percent. Median home prices in February were \$441,064 in Austin and \$343,873 in Texas. Year over year, home prices trended down – falling 7.2 percent in the metro and 0.2 percent in the state.” – Apr 2024 – Austin Economic Indicators – Dallas Fed

Median home prices



NOTE: Data are real, seasonally adjusted and through February 2024.

SOURCE: Real Estate Center at Texas A&M University; adjustments by the Dallas Fed.

Federal Reserve Bank of Dallas

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Apr 2024
2023

HOUSING – TEXAS SINGLE-FAMILY HOUSING MARKET

“Texas existing-home sales rose in February, despite high mortgage rates. Texas home sales increased 4.0 percent, and U.S. home sales rose sharply as well. Mortgage rates remained elevated – averaging 7.3 percent in February – and continued to impact housing affordability. Texas single-family housing construction permits increased 2.2 percent in February. **Inventories in Texas rose to 4.0 months of supply, their highest level since January 2014.”** – Mar 2024 – Texas Economic Indicators – Dallas Fed

Texas single-family housingmarket



*Seasonally adjusted, three-month moving average.

NOTE: Data are monthly through February 2024.

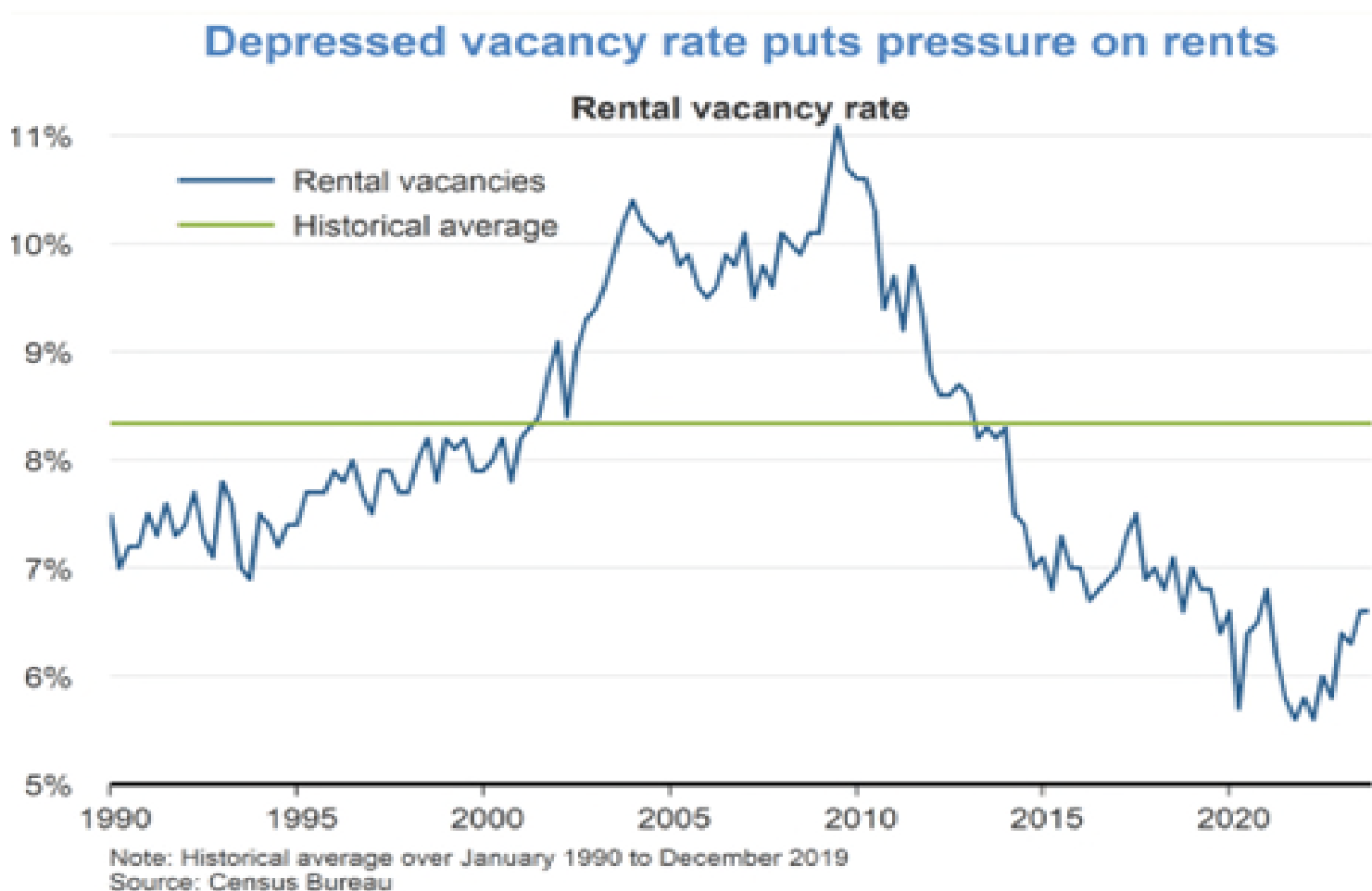
SOURCE: MLS; Texas A&M Real Estate Center; Freddie Mac Primary Mortgage Market Survey; Census Bureau.

Federal Reserve Bank of Dallas

Provided by Federal Reserve of Dallas – Texas Economic Indicators – Mar 2024

HOUSING – U.S. RENTAL VACANCY RATES

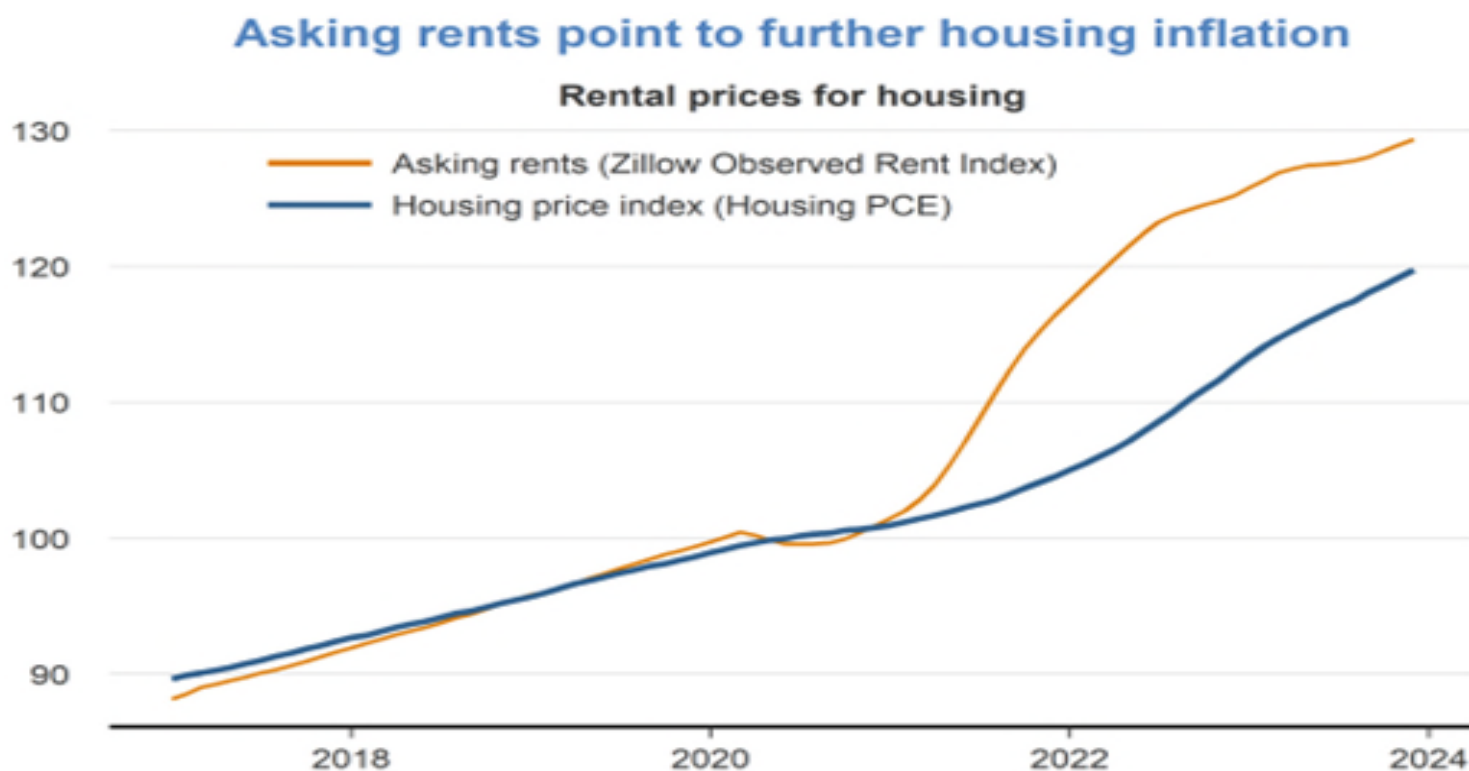
“The vacancy rate for the entire stock of rental units in the United States was 6.6% in the fourth quarter of 2023. This vacancy rate is well below the average rate observed in the 25 years prior to 2020. A low vacancy rate indicates that rental markets are tight as units that open up are leased quickly. A low supply of available rental units puts upward pressure on asking rents. This is another reason that the housing category of PCE inflation may remain elevated for some time. Unlike some other sectors of the U.S. economy where supply can often ramp up quickly in response to increased demand, housing supply is relatively inelastic because construction of new units from start to finish can take years.” – Mar 2024 – FedView – San Francisco



Provided by San Francisco Fed - FedView - Mar 2024

HOUSING – U.S. ASKING RENTS

“The housing category of PCE inflation reflects changes in average rents for the entire stock of housing units in the economy. In contrast, the Zillow Observed Rent Index measures the asking rents that landlords are currently seeking for new leases of rental units. In an environment where asking rents are rising, average rents for the entire housing stock take some time to fully reflect such changes. This occurs because rents for existing leases are generally fixed for the duration of each lease. Thus, it is not until existing tenants move or renew their leases that they typically face rent increases that ultimately drive up average rents. The Zillow index shows that asking rents climbed rapidly from early 2021 through the first half of 2022 but have since slowed to a more moderate pace. The PCE housing inflation component is likely to remain above its pre-pandemic level for some time as the measure for average rents adjusts to catch up with higher asking rents.” – Mar 2024 – FedView – San Francisco



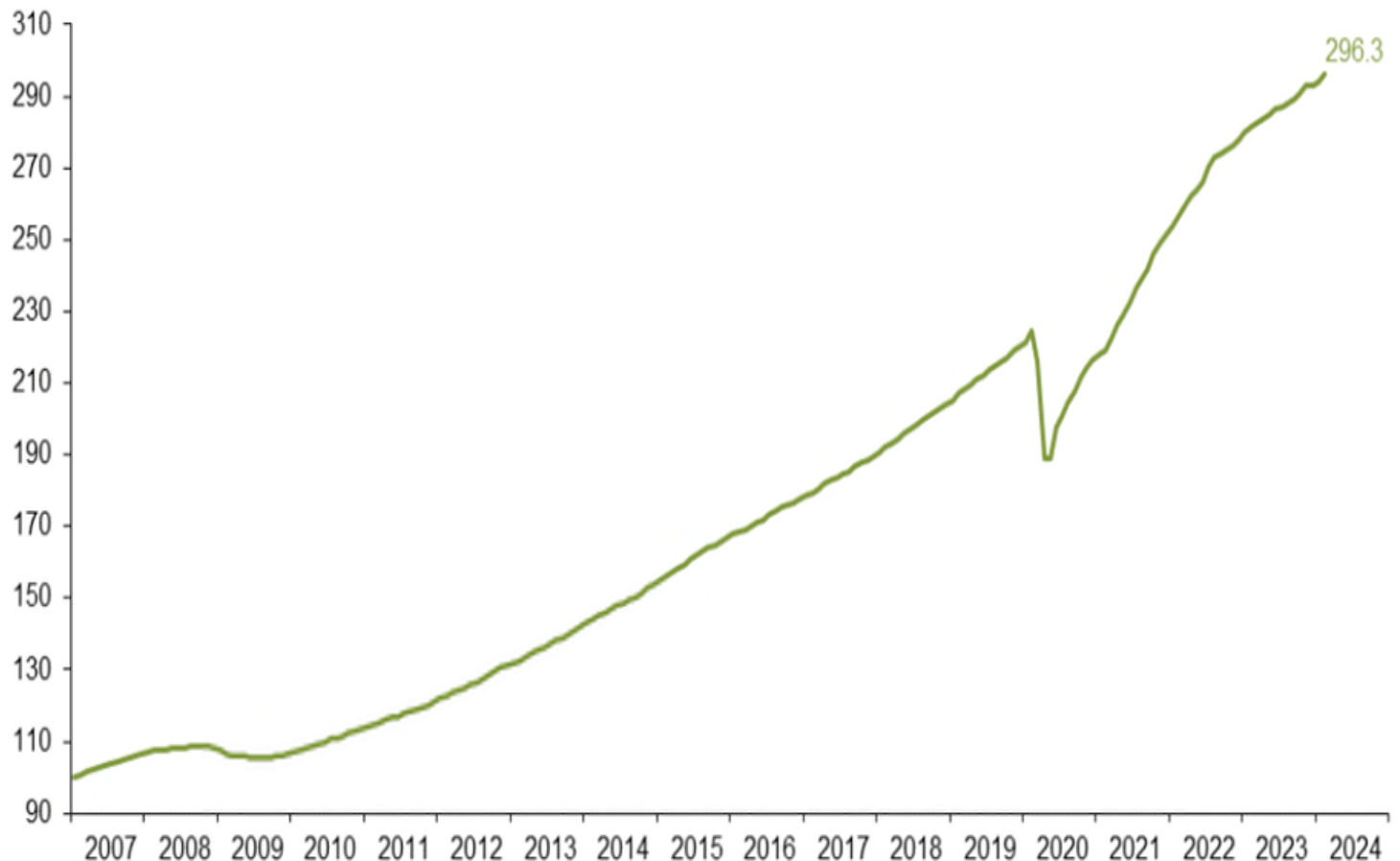
Note: Index normalized to January 2020.
Source: Zillow, Bureau of Labor Statistics via Haver Analytics
Provided by San Francisco Fed - FedView - Mar 2024

BUSINESS CYCLE INDEX – AUSTIN

“The Austin Business-Cycle Index, a broad measure of economic activity, grew an annualized 10.1 percent in February, faster than the 2.6 percent gain in January.” – Apr 2024 – Austin Economic Indicators – Dallas Fed

Austin Business-Cycle Index

Index, January 2007 = 100



SOURCE: Dallas Fed.

Federal Reserve Bank of Dallas

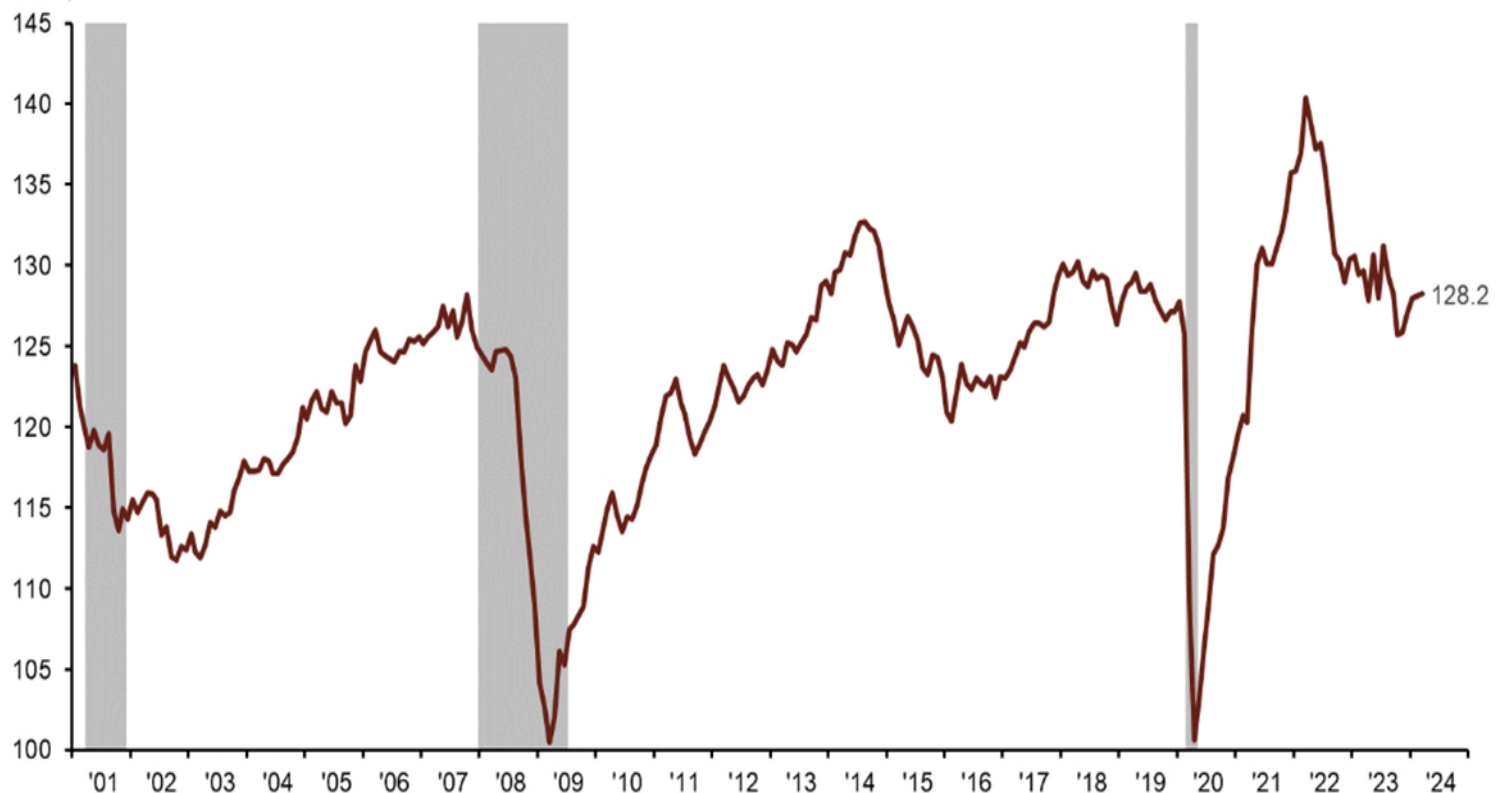
Provided by Federal Reserve of Dallas – Austin Economic Indicators – Apr 2024

LEADING INDEX – TEXAS

“The Texas Leading Index, a composite of eight leading indicators that sheds light on the future of the state’s economy, held steady in March after rising for three straight months. The three-month change was positive, however, despite most components contributing negatively including a decrease in average hours worked, the U.S. leading index, and well permits and an increase in the Texas value of the dollar and new unemployment claims.” – Apr 2024 – Texas Economic Indicators – Dallas Fed

Texas Leading Index

Index, 1987 = 100*



*Seasonally adjusted.

NOTES: Data are through March 2024. Gray bars show U.S. recessions.

SOURCE: Federal Reserve Bank of Dallas.

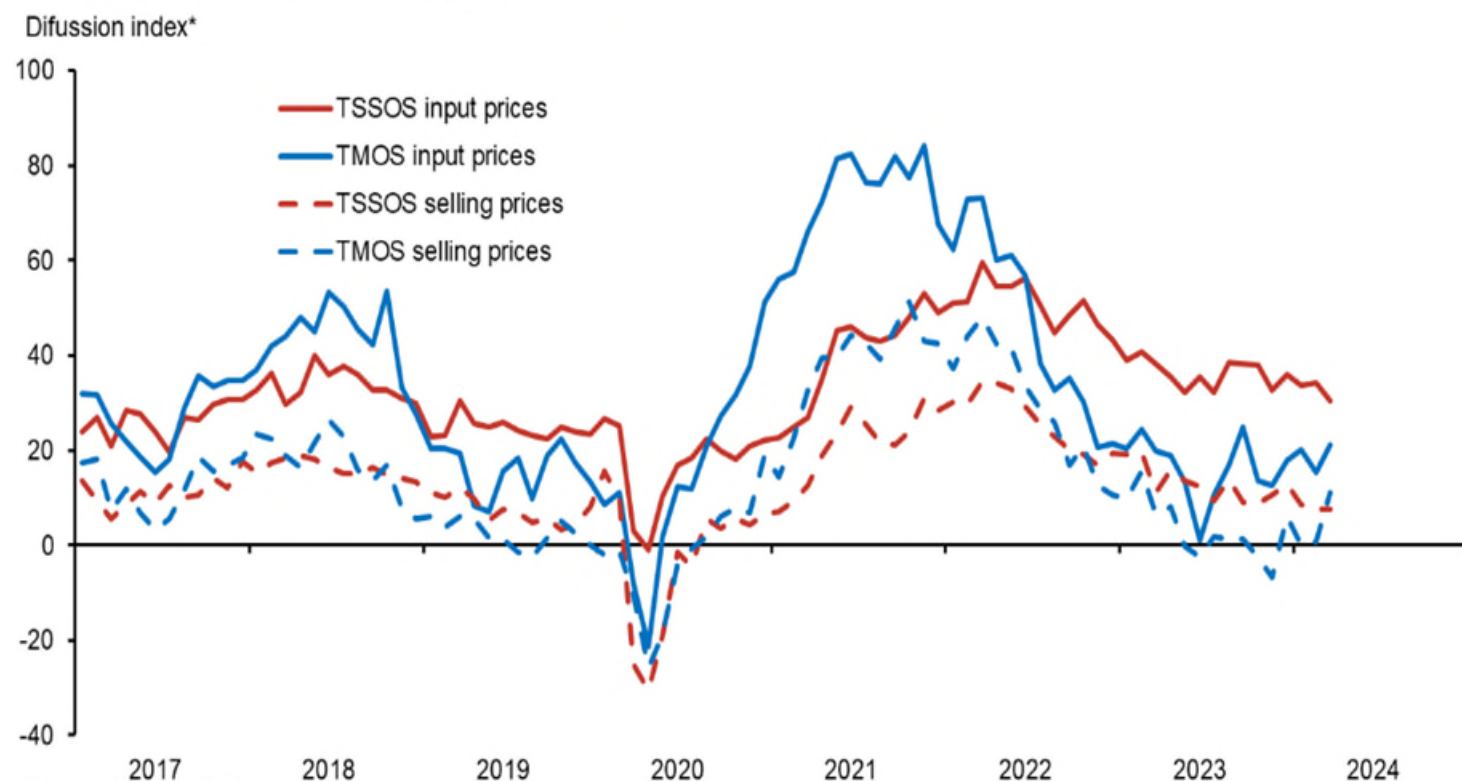
Federal Reserve Bank of Dallas

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Apr 2024

TEXAS BUSINESS OUTLOOK SURVEYS INDEXES – TEXAS

“Texas Business Outlook Surveys price indexes were flat to higher in March. The manufacturing price index for raw materials rose to 21.1, while the prices received index rose from 0.8 to 11.0, suggesting a pickup in input costs and selling prices last month. The service sector input prices index fell from 34.3 to 30.4, while its selling price index remained at 7.7. Both service sector indexes were in line with their series average, indicative of moderate growth in prices. In the March TBOS survey, Texas business executives indicated they expect a 2.9 percent increase in selling prices and 3.6 percent increase in input costs on average over the next 12 months.” – Apr 2024 – Texas Economic Indicators – Dallas Fed

Texas Business Outlook Survey price indexes



*Seasonally adjusted.

NOTES: Data are monthly through March 2024. TMOS is the Texas Manufacturing Outlook Survey; TSSOS is the Texas Service Sector Outlook Survey.

SOURCE: Federal Reserve Bank of Dallas Texas Business Outlook Surveys.

Federal Reserve Bank of Dallas

Provided by Federal Reserve of Dallas – Texas Economic Indicators – Apr 2024

CONSUMER CONFIDENCE AND CONSUMER SENTIMENT – U.S.

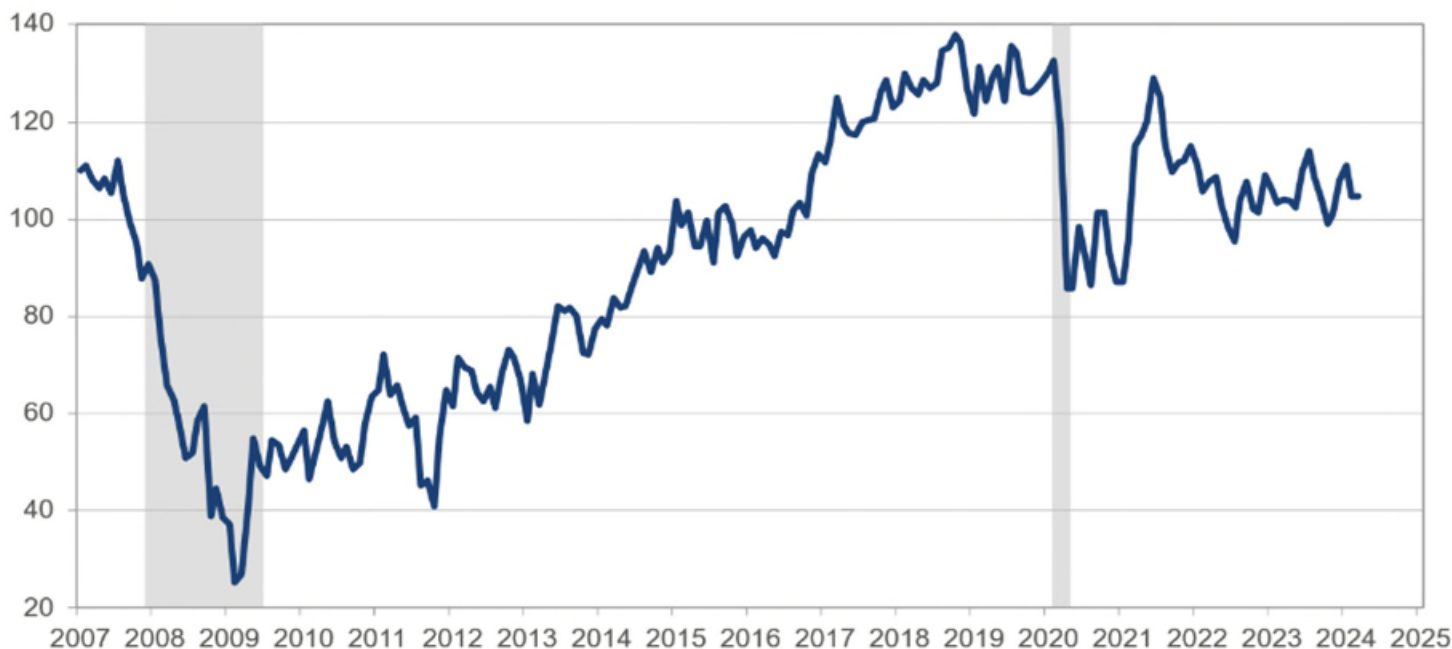
“The Conference Board Consumer Confidence Index® was 104.7 (1985=100) in March, essentially unchanged from a downwardly revised 104.8 in February.”

“‘Consumers’ assessment of the present situation improved in March, but they also **became more pessimistic about the future**,’ said Dana M. Peterson, Chief Economist at The Conference Board. Confidence rose among consumers aged 55 and over but deteriorated for those under 55. Separately, consumers in the \$50,000-\$99,999 income group reported lower confidence in March, while confidence improved slightly in all other income groups.” – Mar 2024 – The Confidence Board

“Consumer sentiment recorded an incremental increase of less than three index points from February, well within the margin of error and stable since January. Critically, consumers exhibited confidence that inflation will continue to soften. Assessments and expectations of personal finances improved modestly from last month, as the perceived negative effects of high prices and expenses on living standards eased.” – Mar 2024 – Survey of Consumers – University of Michigan

Consumer Confidence Index®

Index, 1985 = 100

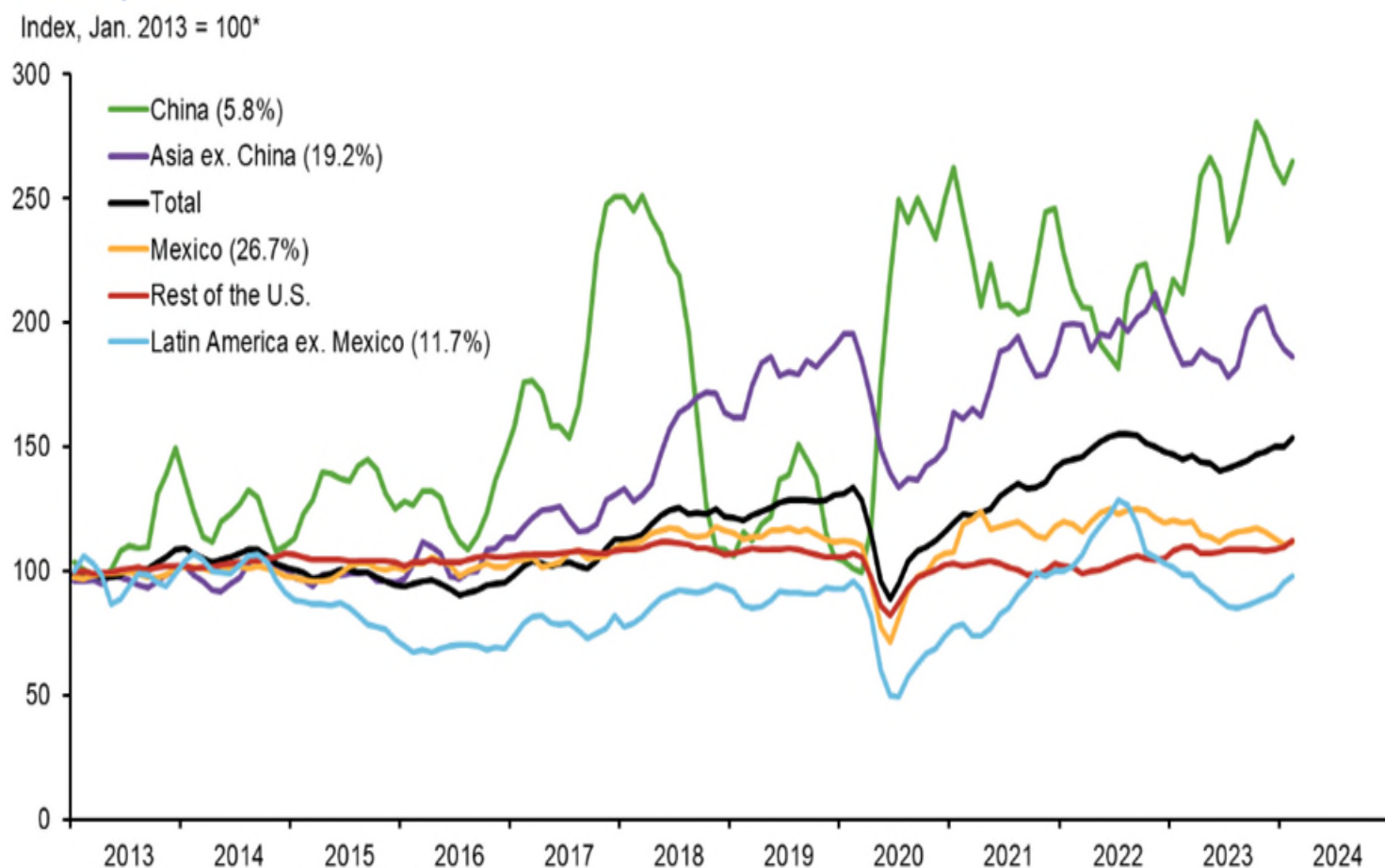


*Shaded areas represent periods of recession.
Sources: The Conference Board, NBER
© 2024 The Conference Board. All rights reserved.

TEXAS EXPORTS – TEXAS

“Texas exports expanded 4.9 percent in February, and the three-month moving average rose 2.4 percent, higher than the rest of the country’s 4.4 and 2.2 percent increase, respectively. On a smoothed basis, exports to China (3.3 percent) and Latin America excluding Mexico (3.0 percent), and Mexico (0.9 percent) rose, while exports to Asia excluding China declined 1.6 percent.” – Apr 2024 – Texas Economic Indicators – Dallas Fed

Texas exports



*Seasonally adjusted, three-month moving average.

NOTES: Data are monthly real exports through February 2024. Numbers in parenthesis indicate the share of total exports going to that region.

SOURCE: U.S. Census Bureau; Bureau of Labor Statistics; seasonal and other adjustments by the Federal Reserve Bank of Dallas.

Federal Reserve Bank of Dallas

Provided by Federal Reserve of Dallas – Texas Economic Indicators – Apr 2024

TEXAS SALES TAX COLLECTIONS

“Texas retail sales tax collections decreased to \$4.9 billion in February. **Statewide sales tax collection was 4.4 percent below its peak of \$5.1 billion reached in June 2023.** Compared with February 2023, real retail sales tax collections were down 2.4 percent, reflective of slowing consumer spending.” – Mar 2024 – Texas Economic Indicators – Dallas Fed

Texas sales tax collections

Dollars (billions)*



*Seasonally adjusted.

NOTE: Data are monthly through February 2024.

SOURCE: Texas Comptroller of Public Accounts; Dallas Fed.

Federal Reserve Bank of Dallas

Provided by Federal Reserve of Dallas – Texas Economic Indicators – Mar 2024

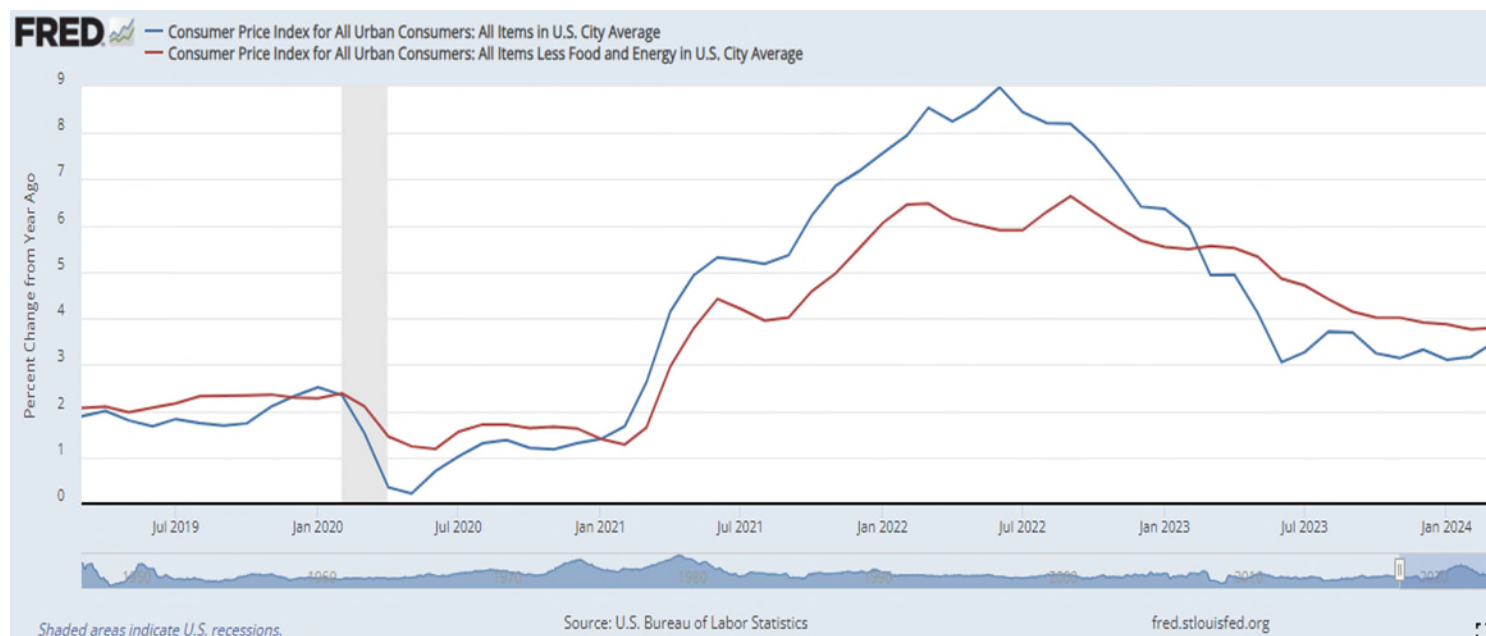
CONSUMER PRICE INDEX

“The all items index rose 3.5 percent for the 12 months ending March, a larger increase than the 3.2-percent increase for the 12 months ending February. **The all items less food and energy index rose 3.8 percent** over the last 12 months.”

“The index for all items less food and energy rose 0.4 percent in March, as it did in each of the 2 preceding months. **Indexes which increased in March include shelter, motor vehicle insurance, medical care, apparel, and personal care.** The indexes for used cars and trucks, recreation, and new vehicles were among those that decreased over the month.”

“The energy index increased 2.1 percent for the 12 months ending March, the first 12-month increase in that index since the period ending February 2023. **The food index increased 2.2 percent** over the last year.” – Apr 2024 – Economic News Release – Bureau of Labor Statistics

Consumer Price Index - 12 Month Percentage Change

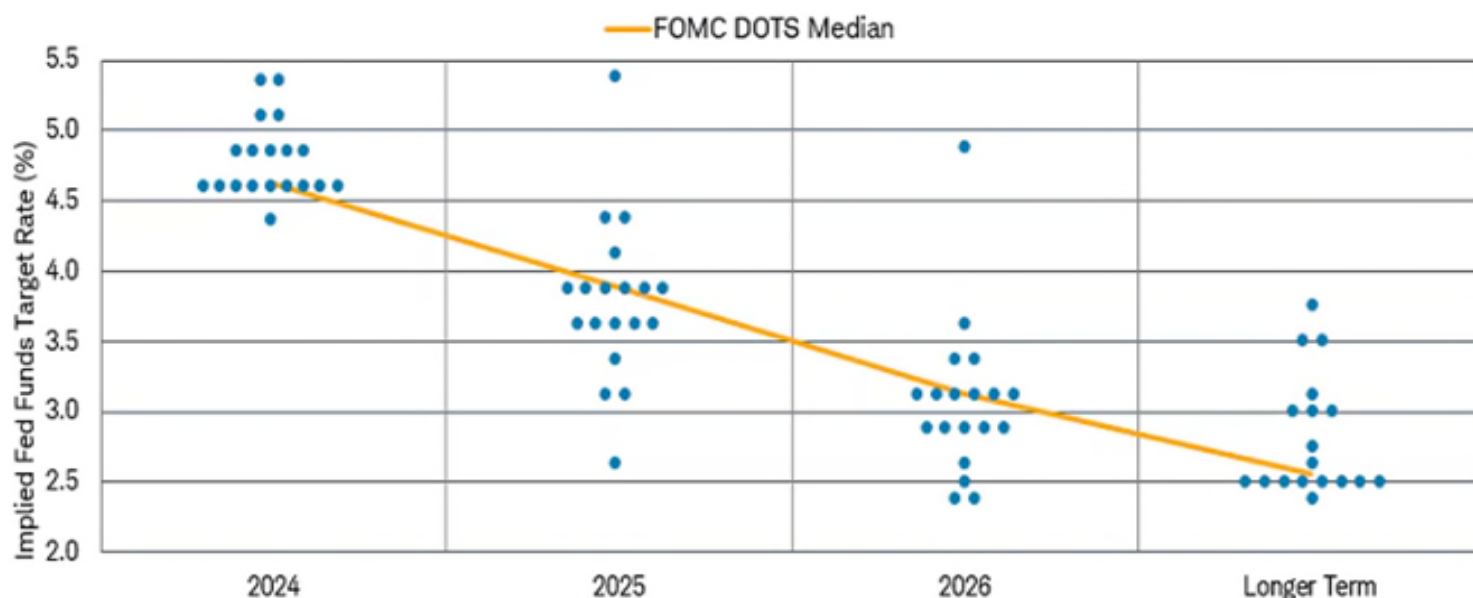


Source: Bureau of Labor Statistics, not seasonally adjusted, 1982-84=100 Provided by the St. Louis Fed

FEDERAL FUNDS RATE – FEDERAL RESERVE EXPECTATIONS

“The Federal Reserve left the target for its policy rate, the federal funds rate, in the 5.25% to 5.5% range at its latest meeting. However, it did revise up its projections for gross domestic product (GDP) growth and core inflation for this year and reduced its projections for the pace of rate cuts over the next two years. The result is that **the Fed is still expecting a cumulative 75 basis points (0.75%) in rate cuts in 2024**, but a slower path of rate cuts in 2025 and 2026. In addition, it signaled that the federal funds rate may not fall to 2.5% in the longer run as previously expected.” – Mar 2024 – Charles Schwab

The FOMC's dot plot as of March 20, 2024



Source: Bloomberg, Federal Reserve, 3/20/2024.

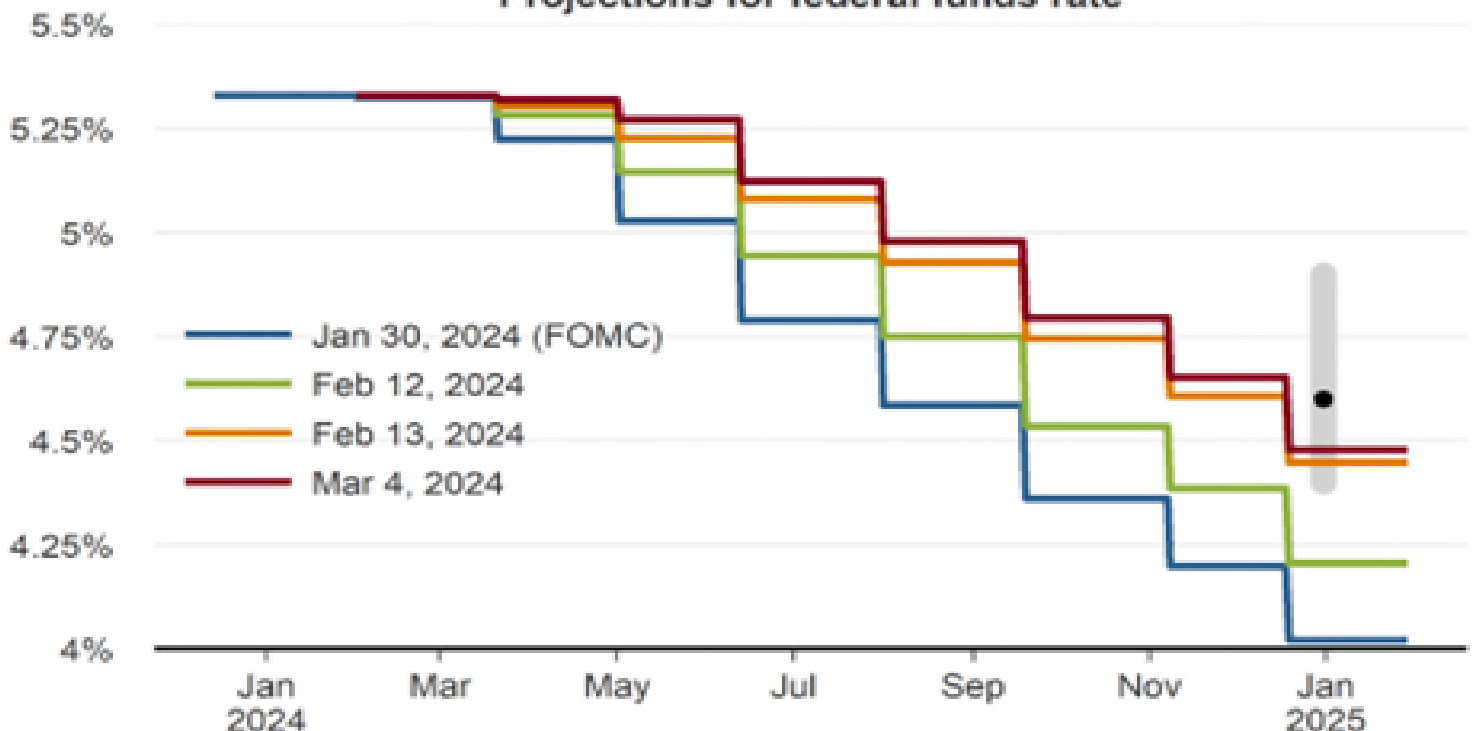
Provided by Charles Schwab – Mar 2024

FED FUNDS RATE – MARKET EXPECTATIONS

“Market participants have adjusted their expectations of the federal funds rate path in response to recent inflation developments. The expected path shifted upward after the February 13 release of the Consumer Price Index (CPI) data for January 2024 and has changed little since then. **The upward shift implies that market participants now expect monetary policy to remain somewhat more restrictive during 2024.**” – Mar 2024 – FedView – San Francisco

Markets react to recent inflation data

Projections for federal funds rate



Notes: Effective FFR path as implied from futures contracts covering announced FOMC meeting dates through January 2025. Black dot represents SEP median estimate. Central tendency shown in gray.

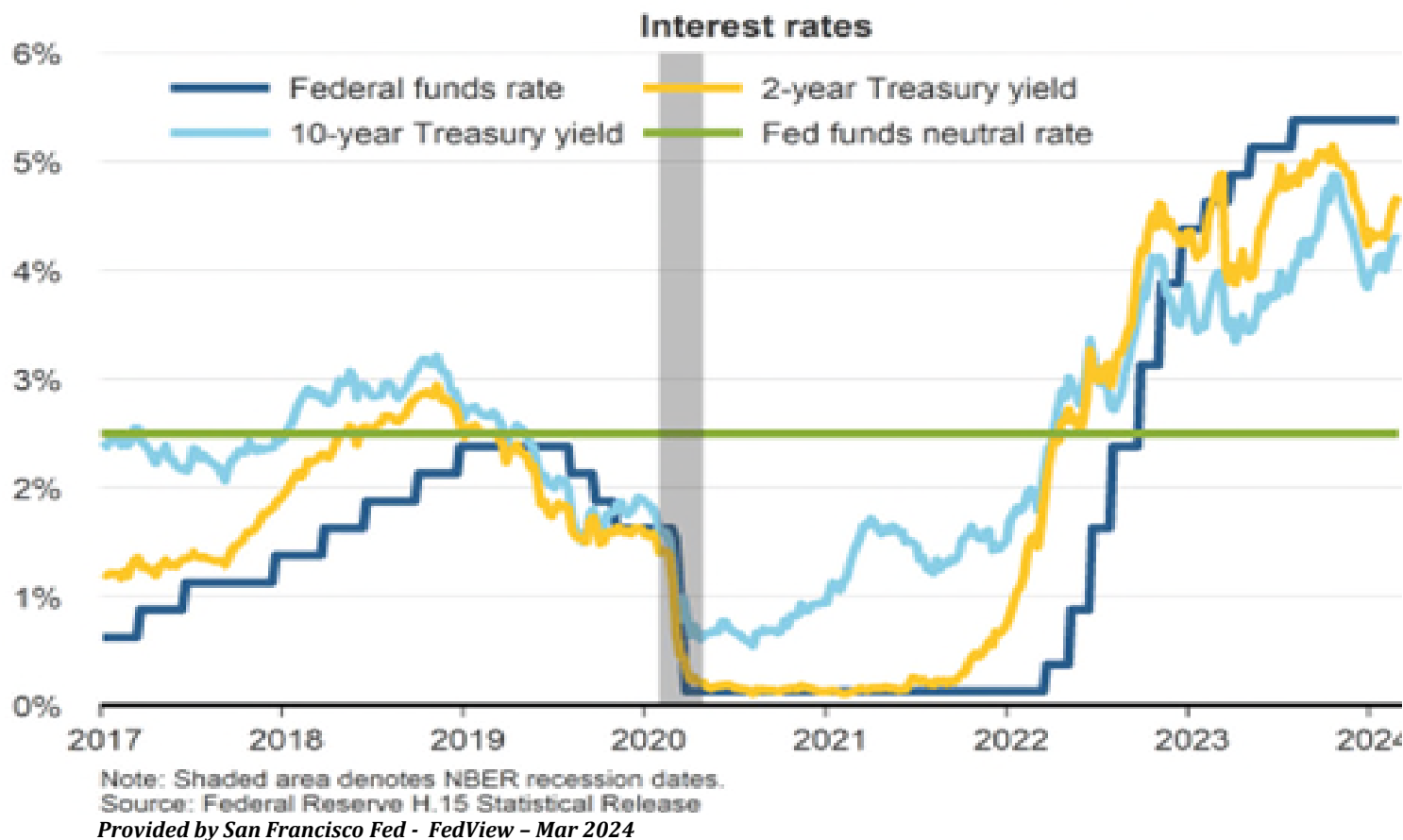
Source: Bloomberg and FRBSF staff calculations

Provided by San Francisco Fed - FedView - Mar 2024

FED FUNDS – COMPARISON TO NEUTRAL RATE, 2-YEAR, AND 10-YEAR

“From March 2022 through July 2023, the Federal Open Market Committee (FOMC) increased the federal funds rate eleven times in response to elevated inflation. Since July 2023, the federal funds rate has remained between 5.25 and 5.5%. This level of **the funds rate is well above our 2.75% estimate of the neutral rate and is expected to restrain economic activity** and bring about a gradual decline of inflation towards 2%.” – Mar 2024 – FedView – San Francisco

Monetary policy remains restrictive



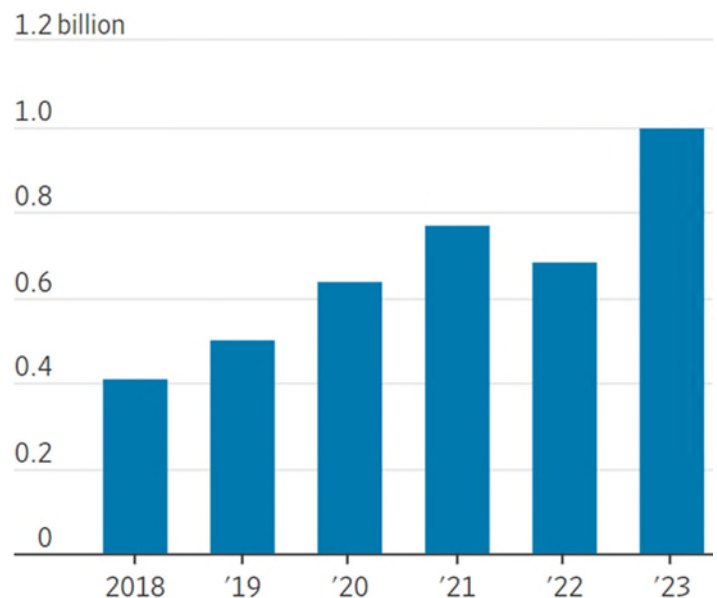
INTERNATIONAL TRADE – CHINA APPAREL LOOPHOLE

“Parcels valued at less than \$800 sent directly from abroad aren’t subject to duties and receive little scrutiny from U.S. Customs under the same exemption enjoyed by American travelers returning home with souvenirs. But the number of those parcels being sent to the U.S. has exploded in recent years.

In 2023, about a billion such packages entered the U.S. that way, mostly from China. Temu and Shein likely accounted for nearly a third of de minimis shipments, according to a report published in 2023 by the House Select Committee on the Chinese Communist Party.” – Apr 2024 WSJ

Surging Shipments

The number of shipments entering the U.S. under the de minimis provision each fiscal year



Source: U.S. Customs and Border Protection
Provided by WSJ

“The U.S. will crack down on an import method, favored by e-commerce giants such as Temu and Shein, that has allowed cheap clothes from China to flow stateside with no duties and little scrutiny.

De minimis shipments—low value packages often sent directly to U.S. consumers—will receive heightened scrutiny, including into whether goods are being imported in defiance of a U.S. forced-labor ban, the U.S. Department of Homeland Security said Friday.

The move, part of a broader push against illicit apparel imports, comes after **U.S. industry groups, unions and lawmakers from both parties have urged a clampdown.** ‘We are dedicated to **ensuring a fair and level playing field for American businesses,**’ said Homeland Security Secretary Alejandro Mayorkas. The actions announced Friday will include ‘expanded targeting,’ laboratory testing and focused enforcement operations, Homeland Security said.” – Apr 2024 WSJ

RESHORING – REPLACING CHINA MADE CRANES AT PORTS

“The Biden administration plans to invest billions in the domestic manufacturing of cargo cranes, seeking to counter fears that the use of China-built cranes with advanced software at many U.S. ports poses a potential national security risk.”

– Feb 2024 – WSJ

“Administration officials said more than \$20 billion would be invested in port security, including domestic cargo crane production, over the next five years. The money, tapped from the \$1 trillion bipartisan infrastructure bill passed in 2021, would support a U.S. subsidiary of Mitsui, a Japanese company, to produce the cranes, which officials said would be the first time in 30 years they would be built domestically.” – Feb 2024 – WSJ



The use of sensors on cranes has raised concern that China could capture information about U.S. shipments. PHOTO: JUSTIN SULLIVAN/GETTY IMAGESUP. Provided by The Wall Street Journal (WSJ)

“‘We felt there was real strategic risk here,’ said Anne Neuberger, U.S. deputy national security adviser for cyber and emerging technology. ‘These cranes, because they are essentially moving the large-scale containers in and out of port, if they were encrypted in a criminal attack, or rented or operated by an adversary, that could have real impact on our economy’s movement of goods and our military’s movement of goods through ports.’

‘By design these cranes may be controlled, serviced and programmed from remote locations,’ said Rear Adm. John Vann, who leads the Coast Guard cyber command, during a press briefing. ‘These features potentially leave PRC-manufactured cranes vulnerable to exploitation,’ he said, referring to the People’s Republic of China.” – Feb 2024 – WSJ

TECHNOLOGY – INSURANCE COMPANIES USE OF DRONES

“Across the U.S., insurance companies are **using aerial images of homes as a tool to ditch properties seen as higher risk.**

Nearly every building in the country is being photographed, often without the owner’s knowledge. **Companies are deploying drones, manned airplanes and high-altitude balloons to take images of properties. No place is shielded:** The industry-funded Geospatial Insurance Consortium has an airplane imagery program it says covers 99% of the U.S. population.”



An aerial drone photo. VEXCEL GROUP. Provided by The Wall Street Journal (WSJ)

“The array of photos is being sorted by computer models to **spy out underwriting no-nos, such as damaged roof shingles, yard debris, overhanging tree branches and undeclared swimming pools or trampolines.** The red-flagged images are providing insurers with ammunition for nonrenewal notices nationwide.

‘We’ve seen a **dramatic increase across the country in reports from consumers who’ve been dropped by their insurers on the basis of an aerial image,**’ said Amy Bach, executive director of consumer group United Policyholders.

The increasingly sophisticated use of flyby photos comes as **home insurers nationwide scramble to ‘derisk’ their property portfolios, dropping less-than-perfect homes** in an effort to recover from big underwriting losses.” – Apr 2024 – WSJ

TECHNOLOGY – INSURANCE COMPANIES USE OF DRONES - continued



Provided by The Wall Street Journal (WSJ)

“Insurers say that **customers agree to home inspections when they buy a policy** and that photographing properties from the sky is less intrusive than the home visits used in the past. They say deploying fleets of surveillance planes lets them respond more quickly to disasters and charge rates that better reflect a property’s risk.

‘If your roof is 20 years old and one hailstorm is going to take it off, you should pay more than somebody with a brand new roof,’ Allstate CEO Tom Wilson said in an interview. He also said that **the insurance giant is far along in using digital images to improve underwriting and that ‘there’s even more to come.’**” – Apr 2024 – WSJ

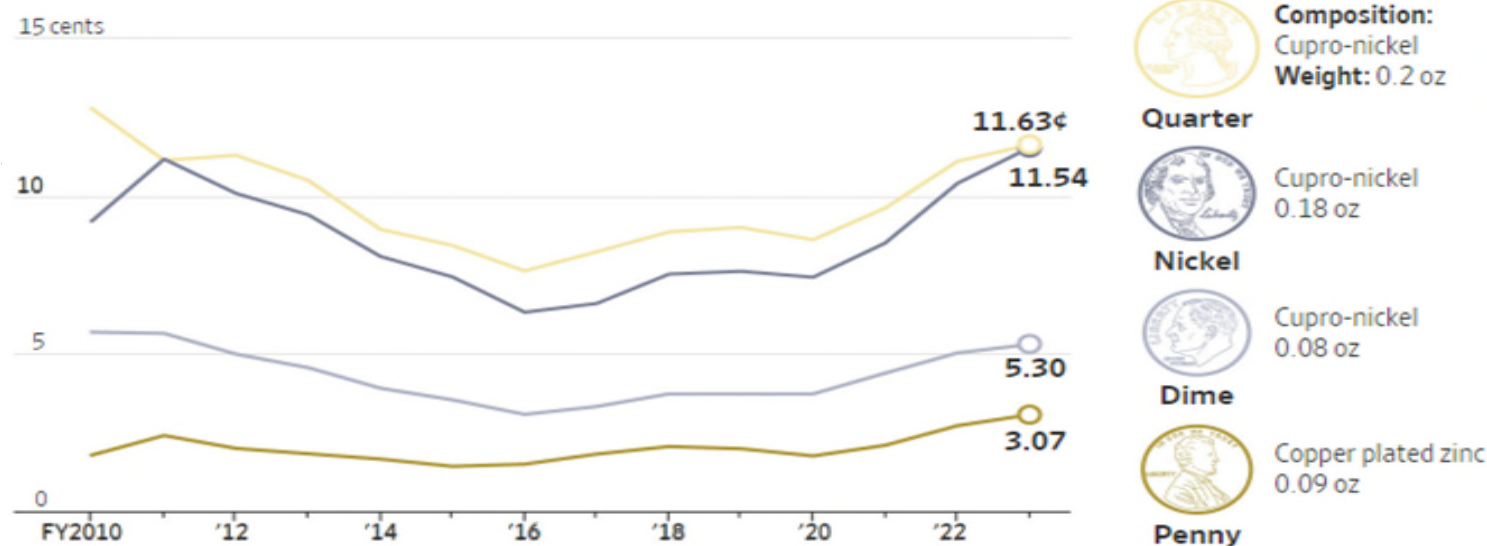
“Aerial images are expected to become increasingly detailed and frequent. If satellite launches go as planned, **images could be updated daily by 2030**, according to Neil Pearson, a consultant who works with imagery companies. ‘It could get interesting from a privacy standpoint as...a property could be monitored daily at high resolution,’ he said. ‘It is a bit Orwellian.’” – Apr 2024 – WSJ

SUSTAINABILITY – RECOVERING MILLIONS OF COINS THROWN AWAY

“Americans toss as much as \$68 million worth of change each year, according to Reworld. The sustainable-waste processing company is on a treasure-hunt to find it. The company says that in the seven years since it started the effort, it has collected at least \$10 million worth of coins.” – Apr 2024 – WSJ

“Of the \$10 million in coins the company has recovered, some \$6 million has been in good enough condition to use.” – Apr 2024 – WSJ

Unit cost of producing and distributing coins



	Composition: Cupro-nickel Weight: 0.2 oz
Quarter	
	Cupro-nickel 0.18 oz
Nickel	
	Cupro-nickel 0.08 oz
Dime	
	Copper plated zinc 0.09 oz
Penny	

“Coins are left in couch cushions or cars, then sucked into vacuums and sent to landfills, said Dominic Rossi, Reworld’s director of finance and business support.

Reworld started collecting change in 2017 after noticing more of it in the trash. The company recovers 550,000 tons of metals annually, including soda cans, old pipes, keys and silverware.” – Apr 2024 – WSJ

“Reworld gathers anywhere from \$500,000 to \$1 million in coins a year, which it turns over to a third party to count and deposit to local banks.” – Apr 2024 – WSJ

IN DEPTH – A LOOK AT AUSTIN HOUSING

“Home prices and apartment rents in Austin, Texas, have fallen more than anywhere else in the country, after a period of overbuilding and a slowdown in job and population growth.

That marks a sharp reversal from previous years when Austin’s real-estate market was sizzling. The city attracted waves of remote workers on six-figure tech salaries. Others arrived after companies such as Tesla and Oracle moved offices there, taking advantage of lower taxes and less business regulation. **Austin’s economy grew at nearly double the national rate**, and it became the country’s 10th-largest city.

Now, it is contending with a glut of luxury apartment buildings. Landlords are offering weeks of free rent and other concessions to fill empty units. **More single-family homes are selling at a loss. Empty office space is also piling up downtown**, and hundreds of Google employees who were meant to occupy an entire 35-story office tower built almost two years ago still have no move-in date.



Well-paid tech workers relocating to Austin, Texas, helped drive the city’s housing boom. Provided by The Wall Street Journal (WSJ)

Austin’s recent downswing is a sign that migration patterns that were turbocharged by the pandemic continue to fade. Housing markets in other Sunbelt cities, including Phoenix and Nashville, Tenn., that swelled with new residents in recent years, have also softened from **overbuilding, slowing population growth and a lack of affordability.**

Austin was at the forefront of the U.S. housing boom, when rock-bottom borrowing costs near the start of the pandemic fueled robust sales and sent home prices to new highs. **Austin prices soared more than 60% from 2020 to the spring of 2022.”** – Mar 2024 – WSJ

IN DEPTH – A LOOK AT AUSTIN HOUSING

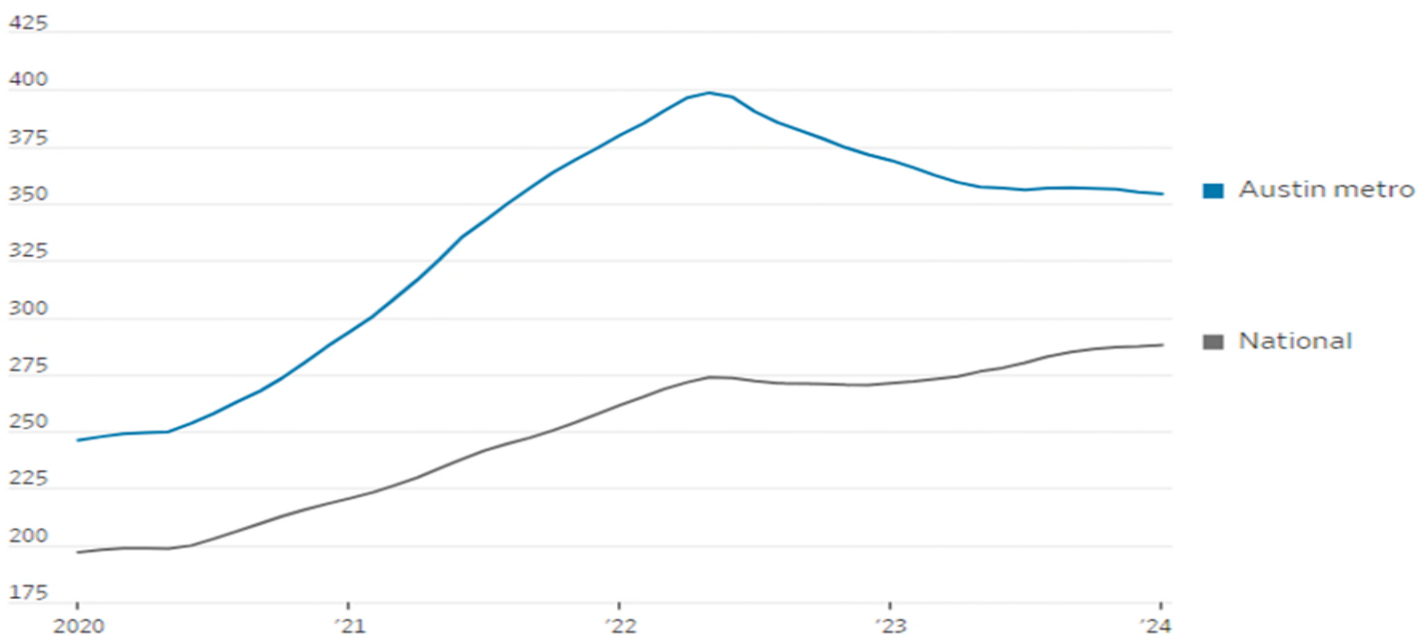
“A surge in interest rates crushed the housing market nationwide, and existing-home sales fell to a nearly 30-year low in 2023. Despite that collapse, home prices remain near record levels thanks to tight supply. But **in Austin, according to the Freddie Mac House Price Index, prices have fallen more than 11% since peaking in 2022, the biggest drop of any metro area in the country.**

‘Austin’s housing market remains extremely overvalued,’ said Matthew Walsh, an economist at Moody’s Analytics. Housing affordability hit a four-decade low, even with recent price declines, he added.

By Moody’s count, **Austin home prices still run 35% higher than what the city’s underlying economic trends would typically support.** Austin’s per capita income rose 23% between 2020 and 2022, but home prices increased more than twice as much.

That disparity has veered greatly from historical norms. ‘It’s unsustainable,’ Walsh said.” – Mar 2024 – WSJ

Freddie Mac House Price Index



Note: Index data are seasonally adjusted.
Source: Freddie Mac

Provided by The Wall Street Journal (WSJ)

IN DEPTH – A LOOK AT AUSTIN HOUSING

Apartment asking rents



Source: Apartment List estimates for monthly rent price

Provided by The Wall Street Journal (WSJ)

“The rental market has a similar trajectory. **Investors purchased a record \$9.4 billion in apartments in Austin in 2021, according to MSCI Real Assets, seizing on rents that rose 20% that year.**

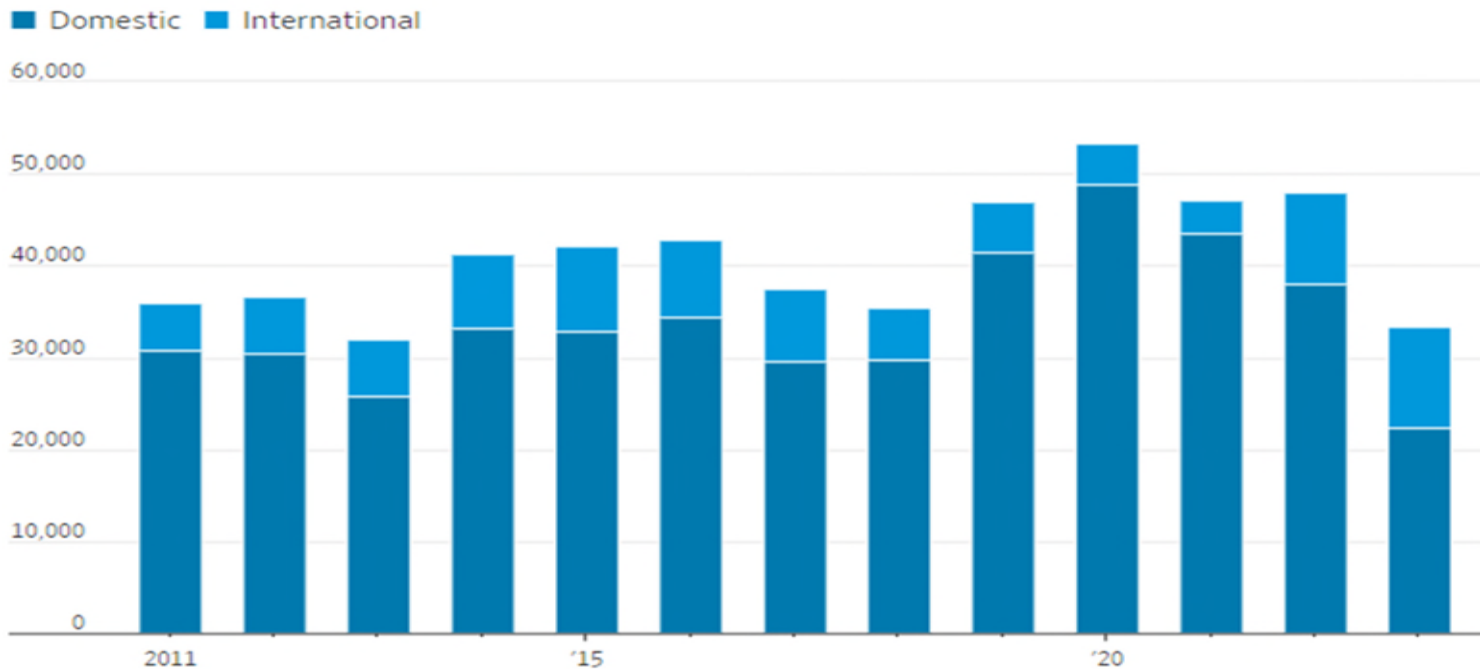
Since then, developers there have been **building more apartments than in any other city**, measured as a share of the existing housing supply. That has helped curb the rise and rents, while also slowing new investment in existing apartment buildings.

‘Clearly, there’s some pockets of overbuilding,’ said apartment investor Larry Connor, whose company manages a 15,000-unit national portfolio.

Rents in Austin are down 7% during the past year, more than in any other city, according to estimates from listings website Apartment List.” – Mar 2024 – WSJ

IN DEPTH – A LOOK AT AUSTIN HOUSING

Inbound migration to Austin metro area



Note: Measured July 1 to July 1

Source: Census Bureau via John Burns Research & Consulting

Provided by The Wall Street Journal (WSJ)

“But as rents and home prices remain overwhelmingly higher than they were just three years ago, **a growing share of home buyers are looking to leave Austin** altogether, some numbers suggest.

In the third quarter of last year, more home buyers searching sales listings on the real estate website Redfin looked to move away from the Austin area than looked to move to it, according to a Redfin search analysis. Texas cities including San Antonio and Corpus Christi, where home prices are much cheaper than in Austin, topped the list of places searched by people looking to leave Austin.

Still, even though **Austin’s job growth has slowed, it is still higher than the national average**, according to the Bureau of Labor Statistics. And while **home prices continue to decline within Austin’s city limits, suburban home sales have held up much better**, said Clare Losey, housing economist at the Austin Board of Realtors.” – Mar 2024 – WSJ

IN-DEPTH TOPICS LOCATED ON THE COUNTY AUDITOR'S WEBPAGE

5G Network	4th Qtr 2018
Afterpay	4th Qtr 2020
Alibaba	3rd Qtr 2017
Austin Housing	1st Qtr 2024
Bitcoin	4th Qtr 2016
Cashless Society	4th Qtr 2017
Chatbots	1st Qtr 2019
Deep Sea Mining	3rd Qtr 2020
EV Supply Chain	3rd Qtr 2022
Facial Recognition	1st Qtr 2018
FedNow	2nd Qtr 2023
Housing Affordability	3rd Qtr 2023
IRS - Online Platforms	2nd Qtr 2022
Labor Participation Rate	4th Qtr 2015
Libra, Calibra, Facebook	2nd Qtr 2019
Lumber Prices Soaring	4th Qtr 2021

Money Market Reform	3rd Qtr 2016
Natural Gas – U.S. Exports	4th Qtr 2019
Negative Interest Policy	2nd Qtr 2016
New Silk Road	2nd Qtr 2017
Non-Fungible Tokens	1st Qtr 2021
Pandemic – Impact	1st Qtr 2020
Quantitative Easing	1st Qtr 2016
Real Estate Commissions	4th Qtr 2023
Repurchase Agreements	3rd Qtr 2019
Secure Act - Retirement	4th Qtr 2022
Series I Bonds	1st Qtr 2022
Small Business Reorg Act	2nd Qtr 2020
Student Loan Update	1st Qtr 2023
Texas Imports and Exports	2nd Qtr 2018
Universal Postal Union	3rd Qtr 2018
Vehicle Shortage	2nd Qtr 2021

DISCLAIMER

THIS PUBLICATION WAS DEVELOPED FOR INTERNAL, GOVERNMENTAL PURPOSES ONLY. IT WAS PREPARED IN GOOD FAITH AND FOR GENERAL INFORMATIONAL PURPOSES ONLY. WE DO NOT MAKE ANY WARRANTIES ABOUT THE COMPLETENESS, RELIABILITY OR ACCURACY OF THE INFORMATION. YOU SHOULD NOT USE ANY OF THE INFORMATION CONTAINED IN THIS REPORT WITHOUT FIRST SEEKING LEGAL AND OTHER PROFESSIONAL ADVICE. USE AT YOUR OWN RISK.