

Key Takeaways

Employment

- The four largest northern border metropolitan areas registered Year-over-Year (YoY) declines in total non-farm employment from February 2025 to February 2026.¹
- Juárez registered the largest loss, with 12,162 jobs (-2.5%) during this period, driven primarily by a decline of 13,889 (-4.5%) manufacturing jobs.
- The trade sector experienced employment growth across all four metropolitan areas, aligning with the national trend.

Remittances

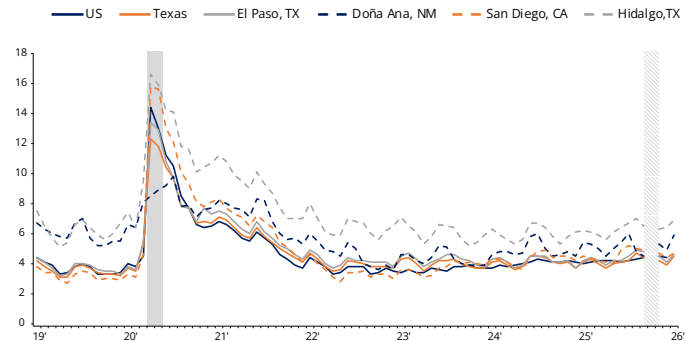
- In 2025, remittances to Mexico declined overall compared to the previous year.
- Remittances to northern border states decreased by \$235.2 million (-3.3%), while non-border states registered a larger decline of \$2,734.7 million (-4.7%).²
- Despite this broader decline, the top ten northern Mexican border cities collectively recorded an increase of \$104.2 million (4.9%) in remittances compared to 2024.

Sales Tax Collections

- In January and February 2026, selected cities experienced an average decrease of \$1.1 million (-2.1%) in total sales and use tax collections compared to the same period in 2025.³ Houston had the largest decrease, declining by \$19.4 million (-12.1%).
- In contrast, sales and use tax collections in El Paso increased by approximately \$2.4 million (11.9%) during the same period. This growth notably outpaced the \$142,000 (0.7%) increase seen from 2024 to 2025.

Quick-Glance Indicators

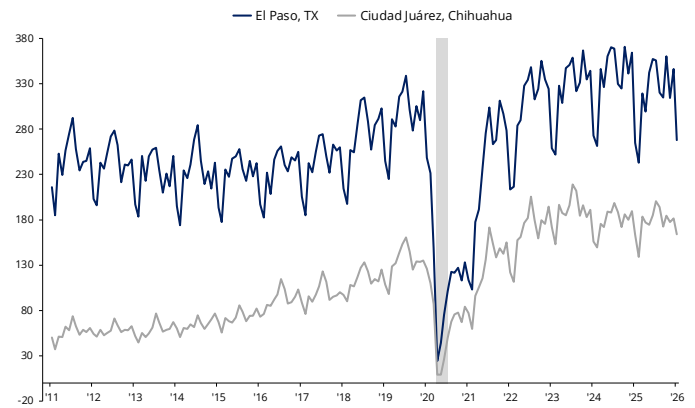
Unemployment Rates for U.S., State, and Selected MSA Economies



Note: Data as of January 2026. The data for October 2025 is unavailable due to the 2025 lapse in appropriations. The 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.

El Paso and Ciudad Juárez Air Passengers, Thousands



Note: Data as of January 2026. 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.

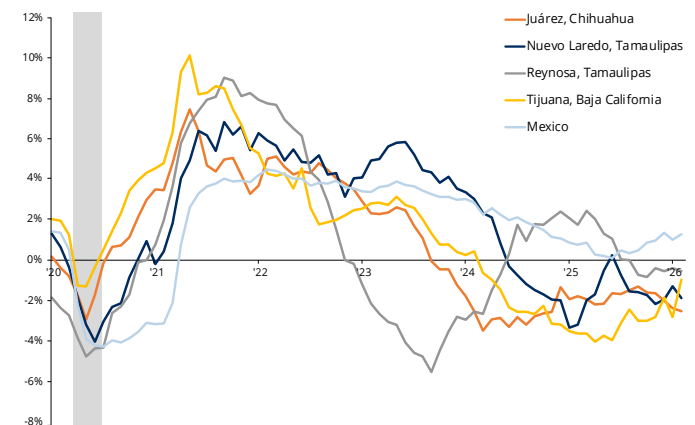
Employment

Manufacturing Employment Losses in the Largest Northern Mexican Border Metropolitan Areas

The four largest Mexican border metropolitan areas experienced a YoY decrease in total non-farm employment between February 2025 and February 2026.

At the national level, Mexico added 291,133 non-farm jobs (1.3%) over the same period. In contrast, all four of the largest Mexican border metropolitan areas recorded non-farm employment losses. The trade sector was the only sector to experience YoY employment growth across all four metropolitan areas. In contrast, manufacturing employment declined in each of these metropolitan areas.

Monthly Employment in Mexico and Largest Border Metropolitan Areas through February 2026 (YoY, Δ%)



Note: Preliminary data for February 2026. The shaded area indicates recession as defined by the National Bureau of Economic Research (The 2020 recession began in February and ended in April).

Source: Hunt Institute calculations using data from Instituto Mexicano del Seguro Social.

¹ The selected metropolitan areas are based on the four most populous municipalities within the northern Mexican border. The resulting four metropolitan areas are: Juárez, Chihuahua; Nuevo Laredo, Tamaulipas; Reynosa, Tamaulipas; and Tijuana, Baja California.

² The northern Mexican border states include Baja California, Coahuila, Chihuahua, Nuevo León, Sonora, and Tamaulipas.

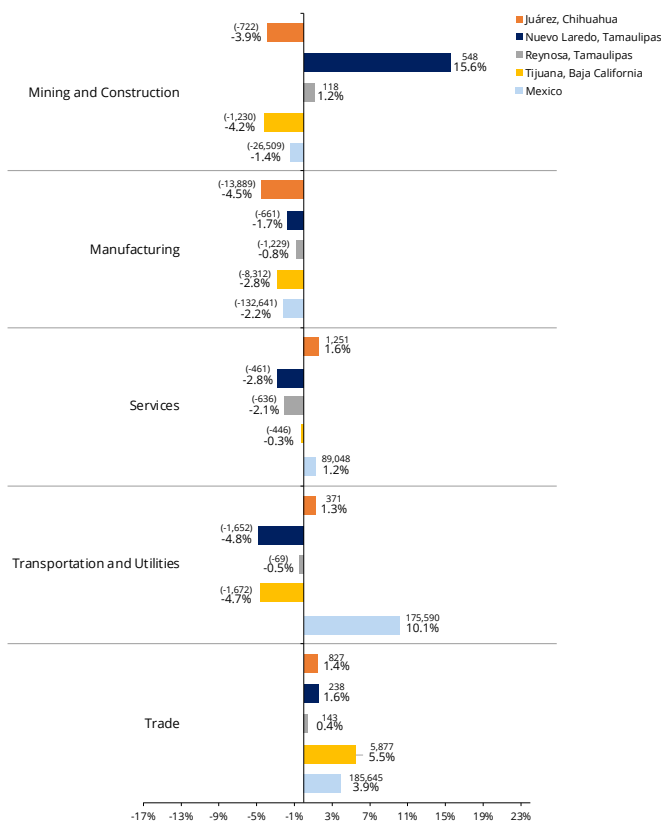
³ Selected Texas cities refer to the six most populous cities (Houston, San Antonio, Dallas, Austin, Fort Worth, and El Paso) and two border cities (McAllen and Laredo).

Juárez reported the largest decline, with a loss of 12,162 jobs (-2.5%), marking the 29th consecutive month of overall YoY non-farm employment contraction. These losses were primarily driven by the manufacturing sector, which lost approximately 13,889 jobs (-4.5%) during this period.

The remaining metropolitan areas also experienced YoY non-farm employment losses in February 2026 compared to those of February 2025: Tijuana with 5,783 jobs (-0.9%), Nuevo Laredo with 1,988 jobs (-1.9%), and Reynosa with 1,673 jobs (-0.7%).

The Hunt Institute tracks five non-farm employment sectors. In Juárez, the following sectors experienced employment growth on a YoY basis from February 2025 to February 2026: services by 1,251 jobs (1.6%), trade by 827 jobs (1.4%), and transportation with 371 jobs (1.3%). In contrast, manufacturing lost 13,889 jobs (-4.5%), while the mining and construction sector declined by 722 jobs (-3.9%).

Largest Border Metropolitan Areas Total Non-farm Employment by Sector, February 2026 (YoY)



Note: Data as of February 2026. Services exclude Transportation and Utilities, and Trade. Beginning July 1, 2025, IMSS began incorporating digital platform workers under the new pilot rules, leading to a sharp increase in the transportation and utilities sector.
Source: Hunt Institute calculations using data from Instituto Mexicano del Seguro Social.

Remittances

Remittances Decline in Northern Mexican Border States in 2025

In 2025, remittances to Mexico declined by 4.6% compared to 2024, with most border states recording contractions. Baja California was the exception, recording a 22.2% increase to reach \$1,768.4 million.

Overall, Mexico registered a decline of \$2,969.9 million (-4.6%) in remittances during 2025 compared to the previous year. Non-border Mexican states remained the primary recipients of remittances in 2025, although they recorded a decline of \$2,734.7 million (-4.7%) compared to the previous year. Over that same period, the Mexican northern border states experienced a contraction of \$235.2 million (-3.3%).

Among border states, Nuevo León experienced the largest decrease, with a drop of \$174.3 million (-12.9%). In contrast, Baja California was the only border state to post growth, with remittances increasing by \$321.3 million (22.2%) from 2024 to 2025. It also recorded the highest remittance inflows among border states in 2025, totaling \$1,768.4 million.

Despite declines across Mexican border cities, the top ten northern border cities collectively recorded growth in remittances compared to 2024, with an increase of \$104.2 million (4.9%). Tijuana experienced the largest YoY increase of \$178.5 million (22.6%), followed by Mexicali with \$66.6 million (25.1%). In contrast, Ciudad Juárez registered the largest decline, with a drop of \$45.6 million (-11.5%).

The overall decline in remittances reflects a combination of factors, including a slowdown in the U.S. labor market, tighter immigration enforcement, and reduced inflow of new migrants. The appreciation of the Mexican peso further reduced the purchasing power of remittances received by households in Mexico.⁴

Remittances to Mexican Border States, USD Million

Region	A 2024	B 2025	B-A	B-A (Δ%)
Baja California	\$1,447.1	\$1,768.4	\$321.3	22.2%
Coahuila	\$951.2	\$853.4	-\$97.7	-10.3%
Chihuahua	\$1,477.5	\$1,355.4	-\$122.1	-8.3%
Nuevo León	\$1,355.0	\$1,180.7	-\$174.3	-12.9%
Sonora	\$844.7	\$725.8	-\$119.0	-14.1%
Tamaulipas	\$1,016.8	\$973.4	-\$43.4	-4.3%
Border States	\$7,092.3	\$6,857.1	-\$235.2	-3.3%
Non-Border States	\$57,654.1	\$54,919.4	-\$2,734.7	-4.7%
Mexico	\$64,746.4	\$61,776.5	-\$2,969.9	-4.6%

Note: Preliminary data for 2025. Border states refer to the Mexican states along its northern border.
Source: Hunt Institute calculations using data from Banco de México.

⁴ Sandra Sanchez, "Border Shutdown Choking Key Informal Source of Income, Plus Dollar Doesn't Buy as Much in Mexico as It Did Before, Analysts Say," Border Report, 2026, <https://www.borderreport.com/news/trade/remittances-to-mexico-fall-for-sixth-consecutive-month/>

Top Ten Mexican Border Cities in Remittances, USD Million

Region	A 2024	B 2025	B-A	B-A (Δ%)
Tijuana	\$788.3	\$966.8	\$178.5	22.6%
Juárez	\$394.6	\$349.1	-\$45.6	-11.5%
Mexicali	\$265.2	\$331.7	\$66.6	25.1%
Reynosa	\$138.4	\$121.3	-\$17.0	-12.3%
Nuevo Laredo	\$109.2	\$99.8	-\$9.4	-8.6%
Acuña	\$85.7	\$85.2	-\$0.4	-0.5%
San Luis Río Colorado	\$87.4	\$78.6	-\$8.8	-10.1%
Nogales	\$86.0	\$73.9	-\$12.1	-14.1%
Guadalupe	\$117.4	\$72.9	-\$44.5	-37.9%
Piedras Negras	\$74.1	\$71.1	-\$3.0	-4.1%
Total	\$2,146.2	\$2,250.5	\$104.2	4.9%

Note: Preliminary data for 2025. The top ten Mexican northern border cities based on remittances from 2025.
Source: Hunt Institute calculations using data from Banco de México.

Sales Tax Collections

Texas Sales Tax Collections Decline in Early 2026, Driven by Houston and San Antonio

Overall sales tax collections decreased modestly across selected Texas cities in January and February of 2026 compared to the same period in 2025, reflecting a potential softening in consumer spending amid sector-specific disruptions.⁵

Between January to February 2026, sales and use tax collections in selected Texas cities totaled \$418.9 million, representing a decrease of \$9.1 million (-2.1%) from the same period in 2025. On average, selected cities lost \$1.1 million (-2.1%) in sales and use tax collection during this period. Houston and San Antonio recorded the largest declines, with decreases of \$19.4 million (-12.1%) and \$5.2 million (-7.3%), respectively. These trends may be partially attributed to a challenging year for the energy sector in Houston, which resulted in layoffs inside the industry.⁶ Conversely, El Paso, Austin, McAllen, Fort Worth, Dallas, and Laredo experienced growth rates of 11.9%, 11.3%, 8.9%, 8.0%, 4.3%, and 2.2%, respectively.

Measured by dollar growth, Austin led all selected cities, generating \$5.9 million (11.3%) in sales and use tax allocations compared to 2025, for a total of \$57.9 million in January and February of 2026. During this period, El Paso collected \$22.7 million in sales and use taxes, an increase of \$2.4 million (11.9%) compared to 2025. By percentage growth, El Paso outpaced the selected cities in sales and use tax allocations between January and February 2026 compared to the same period in 2025.

⁵ Selected Texas cities refer to the six most populous cities (Houston, San Antonio, Dallas, Austin, Fort Worth, and El Paso) and two border cities (McAllen and Laredo).
⁶ Rachel Nostrant, "Houston's biggest energy layoffs of 2025: How Exxon, Chevron and others survived a rough year," Houston Chronicle (Houston, Texas), January 6, 2026. <https://finance.yahoo.com/news/houston-biggest-energy-job-cuts-160000235.html?guccounter=1>

Sales and Use Tax Allocations for Selected Texas Cities, USD Thousand

City	A Jan-Feb 2025	B Jan-Feb 2026	B-A	B-A (Δ%)
Houston, TX	\$160,413	\$140,988	-\$19,425	-12.1%
San Antonio, TX	\$71,010	\$65,823	-\$5,187	-7.3%
Dallas, TX	\$64,827	\$67,645	\$2,817	4.3%
Austin, TX	\$52,031	\$57,931	\$5,899	11.3%
Fort Worth, TX	\$35,718	\$38,580	\$2,862	8.0%
El Paso, TX	\$20,333	\$22,744	\$2,411	11.9%
McAllen, TX	\$13,909	\$15,150	\$1,241	8.9%
Laredo, TX	\$9,878	\$10,100	\$222	2.2%

Note: The given months and years represent the collection dates. Selected cities have sales and use tax rates of 1%, except for Laredo and McAllen, which have rates of 1.25% and 2.0%, respectively. The maximum rate in Texas is 8.25%: a fixed 6.25% by the state and a 2.0% rate that combined local entities may charge.
Source: Hunt Institute calculations using data from the Texas Comptroller of Public Accounts.

Hunt Institute Highlights What's New and What's Next:

Discover. Experience. Shape The Future of El Paso's Mission Trail

El Paso is working to strengthen and promote one of its greatest cultural treasures, the historic Mission Trail. We're conducting a brief survey to help us enhance visitor experiences and support local businesses.



A Multi-Scale Look at U.S.-Mexico Trade Dynamics

Explore the full 3-part series and uncover the data shaping cross-border trade, infrastructure, and nearshoring trends.



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.

utep.edu/hunt-institute