

Key Takeaways

Employment

- In April 2023, year-over-year (YoY) non-farm employment gains continued for twenty-fifth consecutive months in the U.S., El Paso, and Las Cruces, and for thirty-three consecutive months in Ciudad Juárez.
- Las Cruces was the only MSA from the Paso del Norte region that experienced mixed month-over-month (MoM) employment results. Employment declines of 100 jobs each were registered in both Trade and Transportation and Utilities sectors, with -1.1% and -4.2%, respectively.

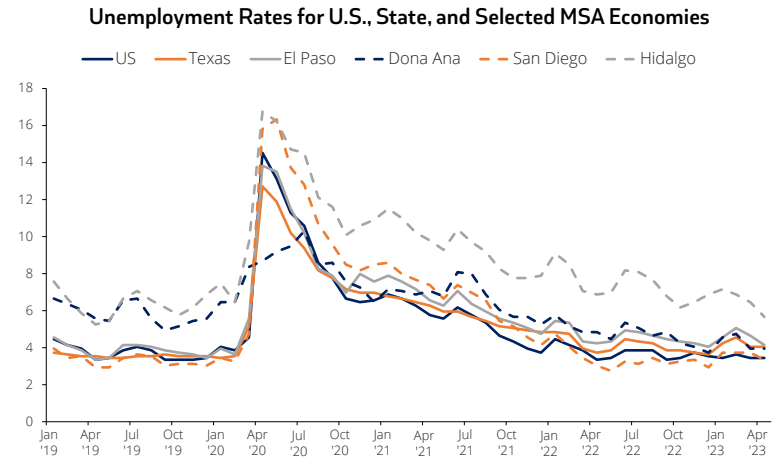
Remittances

- Remittances from the U.S. to Mexico increased from \$12,522.0 million in the first quarter of 2022 to \$13,970.4 million in the first quarter of 2023, an increase of 11.6%. This increase is lower than the 18.0% gain observed from the first quarter of 2021 to the first quarter of 2022.
- Among the top ten border cities, Reynosa recorded the largest relative increase in total remittances received, with a growth of 29.5% between the first quarter of 2022 and 2023. Remittances to Tijuana and Ciudad Juárez together account for 53.25% of the total remittances to the top ten border cities.

Border Crossings

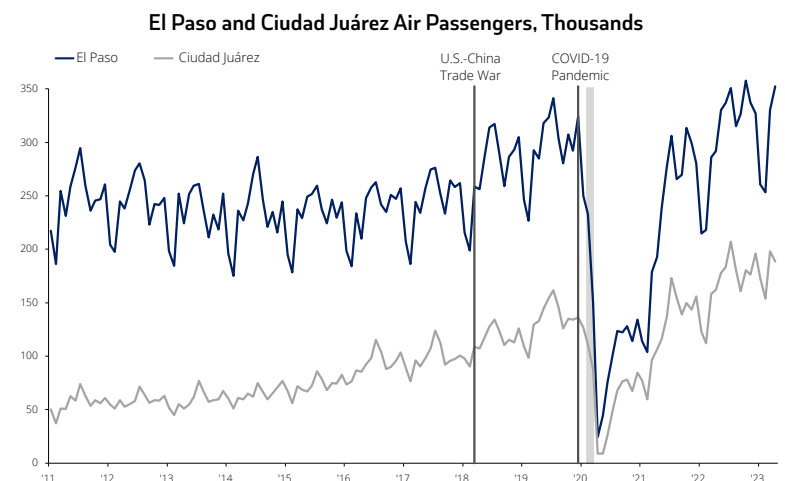
- The Otay Mesa, El Paso (excluding Ysleta), and Santa Teresa Ports of Entry (PoE) experienced reductions in commercial border crossings¹ from January to March 2023 when compared to the same period in 2022, with declines of 16,471 (-8.0%), 10,635 (-72.2%)², and 172 (-0.7%), respectively.
- The San Ysidro and the El Paso (excluding Ysleta) PoE lead the way in YoY noncommercial border crossing³ increases among the top ten PoE from January to March 2023, making up 18.0% and 10.9% respectively, of all noncommercial border crossings at the top ten PoE.

Quick-Glance Indicators



Note: Data as of April 2023.

Source: Hunt Institute calculations using data from the U.S. Bureau of Labor Statistics.



Note: Data as of April 2023. 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

Jobs Continue to Rise

Non-farm employment in April 2023 for the Paso del Norte region exceeded that of April 2022.

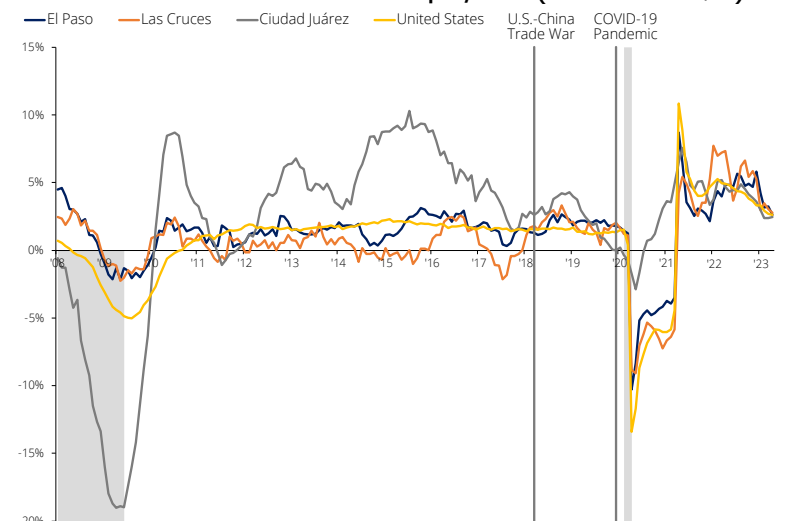
April 2023 marked the twenty-fifth consecutive month of year-over-year non-farm employment gains in the U.S., El Paso, and Las Cruces, and the thirty-third consecutive month in Ciudad Juárez. At the national level, year-over-year gains of 3,937,000 jobs (2.6%) were observed in April 2023. Total non-farm employment also increased in El Paso by 8,700 jobs (2.6%), in Las Cruces by 2,100 jobs (2.8%), and in Ciudad Juárez by 12,300 jobs (2.5%). In a month-over-month comparison, however, the outlook is mixed. While non-farm employment increased in the U.S. by 946,000 (0.6%), El Paso by 1,200 (0.4%), and Las Cruces by 100 jobs (0.1%), Ciudad Juárez lost 700 (-0.1%) non-farm positions.

¹ Commercial border crossings include total loaded truck containers.

² Starting in 2020, the Ysleta and El Paso Ports of Entry split, and more trucks have crossed through Ysleta instead of El Paso.

³ Noncommercial border crossings include pedestrians as well as personal vehicles, bus, and train passengers.

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



Note: Preliminary data for April 2023. Shaded area indicates recession as defined by the National Bureau of Economic Research (2020 recession began in February and ended in April).

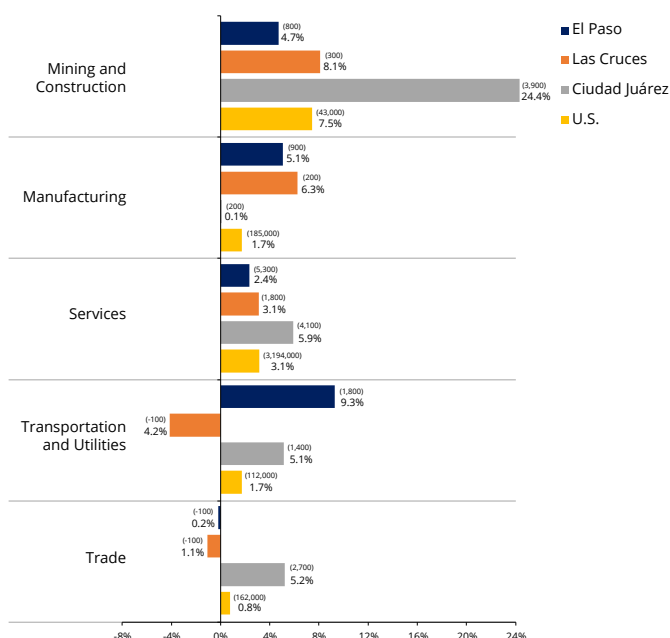
Source: Hunt Institute calculations using data from the U.S. Bureau of Labor Statistics and Instituto Mexicano del Seguro Social.

PASO DEL NORTE ECONOMIC INDICATOR REVIEW

June 2023

The Hunt Institute tracks five non-farm employment sectors in the Paso del Norte region. In April 2023, the U.S. and Ciudad Juárez added jobs in all five sectors on a year-over-year basis, while El Paso experienced growth in four sectors and a modest decline in one sector. In contrast, Las Cruces experienced growth in only three sectors, with more sizable employment declines in the remaining two sectors. The Services sector in particular drove year-over-year job growth in the Paso del Norte region and the U.S. In El Paso, the following sectors experienced employment growth: Services sector by 5,300 jobs (2.4%), the Manufacturing sector by 900 jobs (5.1%), the Transportation and Utilities sector by 1,800 jobs (9.3%), and the Mining and Construction sector by 800 jobs (4.7%), while the Trade sector experienced a modest decline of 100 jobs (-0.2%). In Las Cruces, non-farm employment increased in the Services sector by 1,800 jobs (3.1%), the Manufacturing sector by 200 jobs (6.2%), and the Mining and Construction sector by 300 jobs (8.1%), while larger percent declines were observed in the Trade and transportation and Utilities sectors, jobs (-1.1%) and 100 jobs (-4.2%), respectively. Ciudad Juárez recorded increases in all five sectors: 200 jobs (0.1%) in Manufacturing, 2,700 jobs (5.2%) in Trade, 3,900 jobs (24.4%) in Mining and Construction, 1,400 jobs (5.1%) in Transportation and Utilities, and 4,100 jobs (5.9%) in Services.

Paso del Norte Total Non-Farm Employment by Sector, April 2023 (Year-over-Year)



Note: Preliminary data for April 2023. 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.

Remittances

Positive Trend in Remittances Among Mexican Border Cities

The remittance landscape among the top ten northern Mexican border cities, regarding the outflow of remittances from the U.S. to Mexico, reveal an upward trend showcasing a significant increase in financial support flowing into these areas.

From January to March 2023, non-border Mexican states continued to be the primary recipients of remittances from the U.S. Remittances in these states increased by \$1,288.7 million (11.8%), while remittances in border states increased by \$159.7 million (9.7%). Chihuahua experienced the largest increase in remittances between January and March 2023 compared to the same period in 2022, amounting to a considerable sum of \$53.7 million or 15.6%. On the other hand, Sonora had the lowest increase among the top six Mexican northern border states⁴, at 1.8% or \$3.7 million.

Remittances to Mexican States, Million USD

Region	A Jan-Mar 2022	B Jan-Mar 2023	B-A	B-A (Δ%)
Chihuahua	\$345.1	\$398.7	\$53.7	15.55%
Nuevo León	\$309.3	\$341.8	\$32.5	10.52%
Baja California	\$320.8	\$342.4	\$21.6	6.74%
Tamaulipas	\$237.9	\$253.8	\$15.9	6.67%
Coahuila	\$220.1	\$252.4	\$32.4	14.71%
Sonora	\$207.4	\$211.1	\$3.7	1.77%
Border States	\$1,640.5	\$1,800.2	\$159.7	9.73%
Non-Border States	\$10,881.5	\$12,170.2	\$1,288.7	11.84%
Mexico	\$12,522.0	\$13,970.4	\$1,448.4	11.57%

Note: Border states refer to the Mexican states along its northern border.

Source: Hunt Institute calculations using data from Banco de México.

Top Ten Mexican Border Cities in Remittances, Million USD

Region	A Jan-Mar 2022	B Jan-Mar 2023	B-A	B-A (Δ%)
Tijuana	\$175.6	\$184.4	\$8.8	5.0%
Ciudad Juárez	\$107.1	\$119.3	\$12.2	11.4%
Mexicali	\$64.3	\$71.7	\$7.4	11.5%
Guadalupe	\$39.5	\$36.4	-\$3.1	-7.9%
Reynosa	\$31.0	\$40.2	\$9.2	29.5%
Nuevo Laredo	\$29.7	\$26.4	-\$3.3	-11.0%
San Luis Río Colorado	\$26.2	\$21.8	-\$4.4	-16.9%
Piedras Negras	\$22.7	\$25.7	\$3.0	13.2%
Ciudad Acuña	\$22.4	\$22.9	\$0.5	2.3%
Nogales	\$21.8	\$21.5	-\$0.3	-1.5%
Total	\$540.4	\$570.3	\$29.9	5.5%

Note: Top ten in 2022 on Mexico's northern border.

Source: Hunt Institute calculations using data from Banco de México.

⁴ Mexico northern border states include Baja California, Coahuila, Chihuahua, Nuevo León, Sonora, and Tamaulipas.

In the first quarter of the two periods 2022 and 2023, Reynosa, Piedras Negras, Mexicali and Ciudad Juárez stand out as the top performers in terms of growth. Reynosa had the highest growth rate of 29.5%, followed by Piedras Negras at 13.2%, Mexicali at 11.5% and Ciudad Juárez at 11.4%. However, while most of the regions experienced growth in remittance, San Luis Río Colorado, Nuevo Laredo and Guadalupe had decline in growth rate of 16.9%, 11.0% and 7.9% respectively. Taken together, the top ten Mexican municipalities received \$29.9 million more in the first quarter of 2023 than in 2022.

Border Crossing

Border Crossings Growth Accelerates in 2023

In the period of January to March 2023, total commercial and noncommercial border crossings through the top ten Ports of Entry (PoE) increased when compared to the same period in 2022.

January through March 2023 commercial border crossings⁵ at the top ten PoE surpassed those of the same period of 2022 with an increase of 64,826 (5.4%).

During the first quarter of 2023, out of the top ten PoE for commercial traffic, Laredo exhibited the largest YoY increase with 63,056 (12.5%). From the selected PoE, only Otay Mesa, El Paso, and Santa Teresa showed a decrease of commercial traffic by 16,471 (-8.0%), 10,635 (-72.2%), and 172 (-0.7%), respectively.

Change in Commercial Traffic at the Top Ten U.S.-Mexico Border Ports of Entry

Port of Entry	A Jan-Mar 2022	B Jan-Mar 2023	Share (%)	B-A	B-A (Δ%)
Laredo, TX	505,878	568,934	42.7%	63,056	12.5%
Otay Mesa, CA	204,613	188,142	14.1%	(16,471)	-8.0%
Hidalgo, TX	124,947	132,181	9.9%	7,234	5.8%
Ysleta, TX	106,517	115,897	8.7%	9,380	8.8%
Nogales, AZ	84,038	87,952	6.6%	3,914	4.7%
Calexico-East, CA	60,749	68,576	5.1%	7,827	12.9%
Brownsville, TX	34,802	34,826	2.6%	24	0.1%
Eagles Pass, TX	33,570	34,239	2.6%	669	2.0%
Santa Teresa, NM	24,116	23,944	1.8%	(172)	-0.7%
El Paso, TX	14,727	4,092	0.3%	(10,635)	-72.2%
Total Top Ten	1,193,957	1,258,783	94.5%	64,826	5.4%
Total U.S.-MX	1,265,711	1,332,177	100.0%	66,466	5.3%

Note: Top ten ports based on 2022 traffic. Numbers are for loaded container truck crossings.

Source: Hunt Institute calculations using data from the U.S. Bureau of Transportation Statistics.

⁵ Commercial border crossings include total loaded truck containers.

⁶ Noncommercial border crossings include pedestrians as well as personal vehicle, bus, and train passengers

Noncommercial border crossings⁶ at the top ten PoE increased by almost 2.4 million (7.8%) from January to March 2023 when compared to the same period in 2022.

As of 2023, the San Ysidro and El Paso PoE (excluding the Ysleta) lead the way in total top ten noncommercial border crossings, accounting for 18.0% and 10.9% of noncommercial border crossings at the total PoE, respectively. Only the Santa Teresa and Otay Mesa PoE exhibited a reduction in noncommercial border crossings, decreasing by 19,274 (-0.7%), and 8,861 (-2.6%), respectively.

Change in Noncommercial Traffic at the Top Ten U.S.-Mexico Border Ports of Entry

Port of Entry	A Jan-Mar 2022	B Jan-Mar 2023	Share (%)	B-A	B-A (Δ%)
San Ysidro, CA	7,545,171	7,622,544	18.0%	77,373	1.0%
El Paso, TX	4,176,164	4,610,524	10.9%	434,360	10.4%
Laredo, TX	2,824,005	3,146,590	7.4%	322,585	11.4%
Otay Mesa, CA	2,820,624	2,801,350	6.6%	(19,274)	-0.7%
Calexico, CA	2,533,940	2,663,277	6.3%	129,337	5.1%
Hidalgo, TX	2,432,567	2,827,981	6.7%	395,414	16.3%
Nogales, AZ	2,370,232	2,468,352	5.8%	98,120	4.1%
Brownsville, TX	2,304,389	2,866,830	6.8%	562,441	24.4%
San Luis, AZ	1,896,477	2,107,100	5.0%	210,623	11.1%
Eagle Pass, TX	1,526,469	1,695,157	4.0%	168,688	11.1%
Total Top Ten	30,430,038	32,809,705	77.4%	2,379,667	7.8%
Total U.S.-MX	38,979,360	42,402,636	100.0%	3,423,276	8.8%
11. Ysleta, TX	1,447,139	1,661,858	3.9%	214,719	14.8%
20. Santa Teresa, NM	343,123	334,262	0.8%	(8,861)	-2.6%

Note: Top ten ports based on 2022 traffic. Numbers are for total passengers and pedestrians.

Source: Hunt Institute calculations using data from the U.S. Bureau of Transportation Statistics.

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.

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