

Key Takeaways

Employment

- Non-farm employment increased in El Paso and Ciudad Juárez increased by 2,100 (0.7%) and 487 jobs (0.1%), respectively but decreased by 100 jobs (-0.1%) in Las Cruces in November compared to October.
- Year-over-year employment gains were recorded in El Paso and Las Cruces for the eighth consecutive month, with El Paso adding 7,400 jobs (2.4%) and Las Cruces adding 2,500 jobs (3.6%). For Ciudad Juárez, year-over-year job gains in November ran for the sixteenth consecutive month, adding 20,237 jobs (4.3%).

Hotel Occupancy Rates

- From May to November (2021), El Paso recorded the highest hotel occupancy rates of the selected metropolitan statistical areas (MSAs): El Paso, Las Cruces, Ciudad Juárez, Laredo, McAllen, and San Antonio.
- Ciudad Juárez and San Antonio continue to struggle to recover and reach pre-pandemic levels.

Border Crossings

- Loaded container truck crossings continued to rise above 2020 through the top ten U.S.-Mexico border ports of entry over January through November period. While the El Paso Port of Entry (PoE) exhibited the third largest gain with about 93,000 (14.3%) more truck crossings, Santa Teresa recorded the largest commercial traffic increase in relative terms with 21.9%, or 16,075 more truck crossings. Also, Santa Teresa PoE nearly reached the level of noncommercial traffic observed two years ago (prior to COVID-19) with a decrease of only 972 (-0.9%).
- In November 2021, for nine of the top ten ports, passenger and pedestrian crossings were still down when compared to pre-pandemic levels of November 2019. El Paso PoE registered the smallest decrease in relative terms (-4.7%) during this period.

Employment

Jobs Continue to Recover

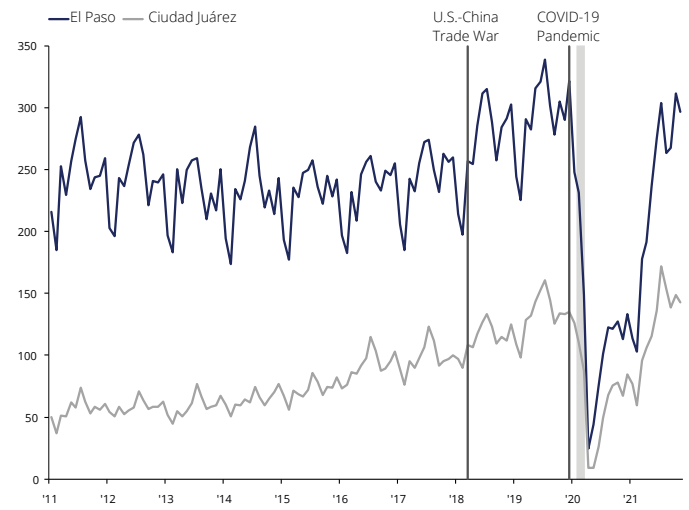
Non-farm employment in the Paso del Norte region has increased on a year-over-year basis but continue to be lower than pre-pandemic levels for El Paso and Las Cruces.

In November, while non-farm employment continued to increase on a monthly basis in El Paso and Ciudad Juárez by 2,100 jobs (0.7%) and 487 jobs (0.1%), respectively, it declined in Las Cruces by 100 jobs (-0.1%). November is the eighth consecutive month for year-over-year non-farm employment gains in El Paso and Las Cruces, with El Paso adding 7,400 jobs (2.4%) and Las Cruces adding 2,500 jobs (3.6%). For Ciudad Juárez, year-over-year job gains in November ran for sixteen straight months, adding 20,237 jobs (4.3%). Compared to November 2019, with pre-COVID recession employment levels, however, El Paso and Las Cruces are down by 6,300 jobs (-1.9%), and 2,400 jobs (-3.2%), respectively.

1 Selected MSAs are El Paso, TX; Laredo, TX; McAllen, TX; San Antonio, TX; Las Cruces, NM; and, Ciudad Juárez in Chihuahua, Mexico.

Quick-Glance Indicators

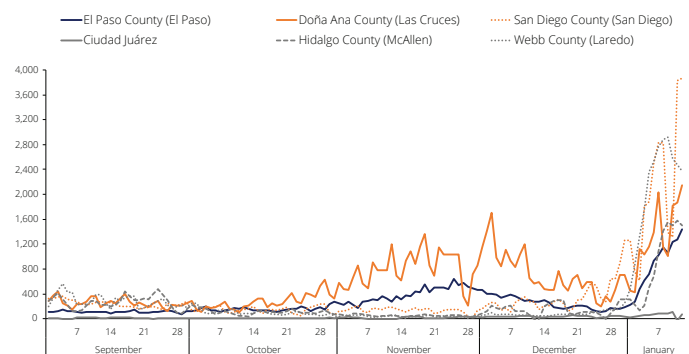
El Paso and Ciudad Juárez Air Passengers, Thousands



Note: Data as of November 2021. 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.

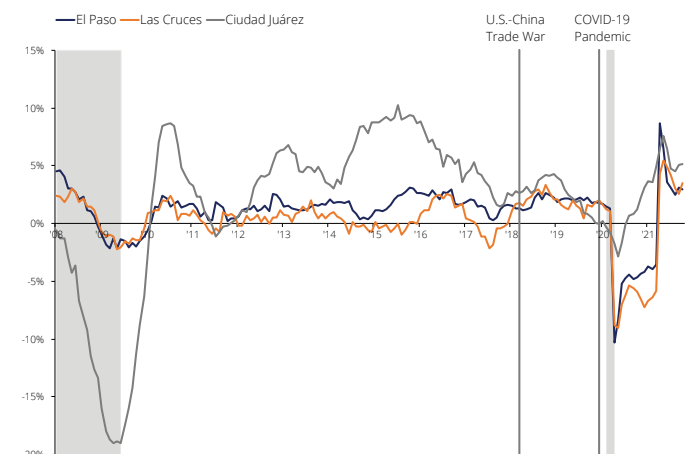
New Coronavirus Cases per 1 Million Inhabitants, 5-Day Moving Average



Note: Data as of January 13, 2022.

Source: Hunt Institute calculations using Texas Health and Human Services, New Mexico Department of Health, Secretaría de Salud de Chihuahua, Center for Systems Science and Engineering at Johns Hopkins University, U.S. Census Bureau, and Consejo Nacional de Población data.

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

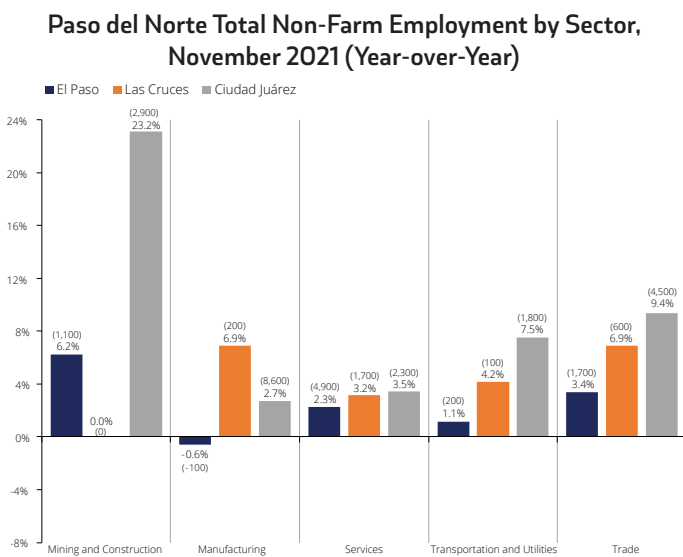


Note: Preliminary data for November 2021. Shaded area indicates recession as defined by the National Bureau of Economic Research (2020 recession began in February and ended in April).

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

On a monthly basis, El Paso exhibited growth in the employment levels across the following five sectors, Services (added 800 jobs or 0.4%), Trade (added 500 jobs or 1%), Transportation and Utilities (added 400 jobs or 2.3%), Manufacturing (added 300 jobs or 1.9%), Mining and Construction (added 100 jobs or 0.5%). Las Cruces lost employment in two of the five sectors on a monthly basis. The Mining and Construction, and Manufacturing each lost 100 jobs (or -2.8%, and -3.1%, respectively). The Transportation and Utilities, and the Services sectors remained unchanged on a monthly basis, with no jobs added. Only the Trade sector exhibited an increase in the employment level of 100 jobs (1.1%). Ciudad Juárez presented a growth in the employment levels in four of the five sectors on a monthly basis. While the Manufacturing sector lost about 1,200 jobs (-0.4%), the Mining and Construction (170 jobs or 1.1%), Trade (690 jobs or 1.3%), Transportation and Utilities (252 jobs or 1%), and the Services (581 jobs or 0.8%) sectors exhibited an increase in November 2021.

On a yearly basis, El Paso exhibited growth in four of the five sectors. Services had the largest increase in El Paso with 4,900 jobs (2.3%), followed by Trade, Mining and Construction, and Transportation and Utilities adding 3,100 (3.4%), 1,100(6.2%), and 200 jobs (1.1%), respectively. Manufacturing was the only sector to experience job loss (-100 jobs or -0.6%). In Las Cruces, four of the five sectors also experienced an increase in employment level on a yearly basis in November 2021. With 2,600 jobs (3.7%), the Services sector exhibited the largest increase in employment, followed by the sectors of Trade (600 jobs or 6.9%), Manufacturing (200 jobs or 6.9%), and Transportation and Utilities (100 jobs or 4.2%). Mining and Construction added no jobs. In Ciudad Juárez, all five sectors presented increase in their employment levels. The Manufacturing sector created 8,600 jobs (2.7%), followed by the Trade sector (4,500 or 9.4%), Mining and Construction sector (2,900 or 23.2%), Transportation and Utilities sector (1,800 or 7.5%), and Services sector (2,300 or 3.5%).



Note: Preliminary data for November 2021. Services exclude 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.

Hotel Occupancy Rates

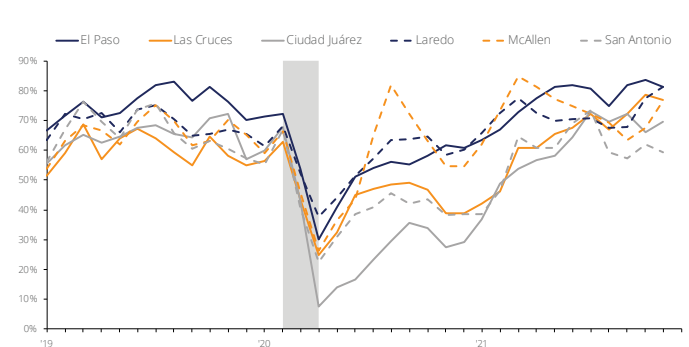
Hotel Occupancy above 2019 Levels

Apart from Ciudad Juárez and San Antonio, hotel occupancy rates in selected MSAs have recovered to their pre-pandemic levels after the U.S. allowed nonessential travel in November.

During the first eleven months in 2021, each of the selected metropolitan statistical areas (MSAs) recorded their lowest hotel occupancy rate in January, and have increased over the subsequent months. From January to November, El Paso, Laredo, and Las Cruces observed their highest hotel occupancy rates for 2021 in November at 81.3%, 81.2%, and 76.8%, respectively. In fact, from May to November 2021, El Paso recorded the highest hotel occupancy rate across the selected MSAs. Las Cruces exhibited the largest increase in hotel occupancy rates through the first eleven months of 2021 with an increase of 34.8 percentage points (pp) from January to November, followed by Ciudad Juárez (32.8 pp), San Antonio (20.8 pp), El Paso (17.8 pp), Laredo (15.5 pp), and McAllen (14.6 pp).

In November 2021, except for Ciudad Juárez and San Antonio, the selected MSAs recorded higher hotel occupancy rates than two years ago (pre COVID-19). Las Cruces and Laredo recorded the largest increases in percentage points with respect to their pre-pandemic hotel occupancy rates, with increases of 18.7 pp and 14.2 pp, respectively, followed by McAllen (6.3 pp), and El Paso (5 pp). Hotel occupancy rates in Ciudad Juárez and San Antonio have struggled to recover and reach pre-pandemic levels, lagging behind by 2.7 pp, and 1.2 pp, respectively. Most of the selected MSAs recording higher hotel occupancy rates in November 2021 compared to pre-pandemic levels could be attributed to the fact that since November 8, 2021, the Department of Homeland Security allowed nonessential travelers to enter the United States via land borders if they met proof of COVID-19 vaccination, among other requirements.

Hotel Occupancy Rates by MSA through November 2021 (Year-over-Year, %)



Note: Data as of November 2021. McAllen includes Edinburg and Mission; San Antonio includes New Braunfels. Shaded area indicates NBER defined recession (2020 recession began in February and ended in April).
Source: Hunt Institute using STR data.

2. Selected MSAs are El Paso, TX; Laredo, TX; McAllen, TX; San Antonio, TX; Las Cruces, NM; and, Ciudad Juárez in Chihuahua, Mexico.

Border Crossings

Border Crossings Show Signs of Recovery

For commercial traffic, the El Paso and Santa Teresa ports of entry continued to rise above 2020 levels. Noncommercial traffic is still down from pre-pandemic levels.

Over the first eleven months of 2021, the top ten U.S.-Mexico border ports of Entry registered gains in loaded container truck crossings compared to the same period last year. The Laredo PoE, Otay Mesa PoE, and the El Paso PoE increased the most with gains of approximately 267,000 (18.0%), 93,000 (14.3%), and 54,000 truck crossings (13.6%), respectively. In relative terms, Santa Teresa PoE recorded the largest commercial traffic increase with 21.9%, or 16,100 more truck crossings.

Eight of the top ten PoEs continued to fall behind when compared to 2019. The El Paso PoE, for example, is behind by nearly 120,000 (-21.2%) in 2021 through November when compared to 2019, exhibiting the largest gap in absolute and relative terms of the top ports. Eagle Pass PoE and Calexico-East PoE followed with losses of about 23,300 (-16.8%), and of 30,000 (-12.7%) loaded truck crossings, respectively. Santa Teresa PoE remained down by about 16,600 (-15.6%). The two ports to increase compared to 2019 were Laredo PoE and Otay Mesa PoE with gains of about 165,000 (10.4%) truck crossings and 44,100 loaded truck crossings (6.3%), respectively. However, although hampered by the losses at eight ports, loaded container truck crossings through the top ten ports have continued to show signs of recovery only behind -0.78% in 2021 through November compared to 2019.

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

Port of Entry	2020	Share (%)	A Jan-Nov 2020	B Jan-Nov 2021	B-A	B-A (Δ%)
Laredo, TX	1,629,156	38.7%	1,486,198	1,753,249	267,051	18.0%
Otay Mesa, CA	712,100	16.9%	653,791	747,273	93,482	14.3%
Hidalgo, TX	436,671	10.4%	399,802	426,637	26,835	6.7%
El Paso, TX	429,384	10.2%	393,044	446,621	53,577	13.6%
Nogales, AZ	258,948	6.2%	235,616	251,832	16,216	6.9%
Calexico-East, CA	207,582	4.9%	189,555	206,179	16,624	8.8%
Brownsville, TX	116,710	2.8%	107,462	126,088	18,626	17.3%
Eagle Pass, TX	105,437	2.5%	96,042	115,322	19,280	20.1%
Santa Teresa, NM	80,806	1.9%	73,530	89,605	16,075	21.9%
Del Rio, TX	47,462	1.1%	43,590	46,950	3,360	7.7%
Total	4,024,256	95.7%	3,678,630	4,209,756	531,126	14.4%

Note: Top ten ports based on 2020 traffic. Numbers are for loaded container truck crossings. El Paso PoE includes Ysleta PoE.

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

Still below pre-pandemic levels, total passenger and pedestrian border crossings at the top ten U.S. Mexico border ports of

entry began their recovery as non-essential travel the first week of November 2021. In November 2020, noncommercial traffic through these ports was down by -46.9%, while in November 2021, noncommercial traffic through these ports was down only by -13.8% compared to November 2019. Only one port, Eagle Pass, recorded an increase (32.2%) in the number of passenger and pedestrian border crossings in November 2021 compared to the figure of two years ago. As recovery continues, the El Paso PoE registered the smallest decrease in relative terms of -4.7% in November 2021 compared to November 2019. The ports with the largest losses are Brownsville PoE, the Laredo PoE, and the San Ysidro PoE with about 301,500 (-28.6%), 260,500 (-22.1%), and 619,000 (-20.0%) passenger and pedestrian border crossings, respectively. Santa Teresa PoE was close to reach noncommercial traffic seen two years ago with a decrease in passenger and pedestrian crossings of 972 (-0.9%).

Although most of the top ten ports remained below 2019 levels, the recent decision by the United States government to allow nonessential travel through its overland borders starting in November 8, 2021 will continue the recovery process for U.S.-Mexico noncommercial border travel.

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

Port of Entry	Nov-19 (A)	Nov-20 (B)	Nov-21 (C)	B-A (Δ%)	C-A	C-A (Δ%)
San Ysidro, CA	3,092,262	1,899,724	2,473,320	-38.6%	(618,942)	-20.0%
El Paso, TX	2,222,921	872,734	2,119,159	-60.7%	(103,762)	-4.7%
Otay Mesa, CA	1,190,241	772,158	1,081,552	-35.1%	(108,689)	-9.1%
Calexico, CA	1,079,206	653,111	864,193	-39.5%	(215,013)	-19.9%
Laredo, TX	1,181,160	545,727	920,703	-53.8%	(260,457)	-22.1%
Brownsville, TX	1,054,911	509,888	753,412	-51.7%	(301,499)	-28.6%
Hidalgo, TX	952,853	482,816	816,985	-49.3%	(135,868)	-14.3%
San Luis, AZ	688,232	471,129	613,342	-31.5%	(74,890)	-10.9%
Nogales, AZ	903,549	375,702	754,536	-58.4%	(149,013)	-16.5%
Eagle Pass, TX	570,926	286,301	754,536	-49.9%	183,610	32.2%
Total	12,936,261	6,869,290	11,151,738	-46.9%	(1,784,523)	-13.8%
20. Santa Teresa, NM	110,062	48,294	109,090	-56.1%	(972)	-0.9%

Note: Top ten ports based on 2020 traffic. Numbers are for total passengers and pedestrians. El Paso PoE includes Ysleta PoE. Total is for the top ten ports.

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 can strengthen regional and binational cross-border economic and social development.

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