

Key Takeaways

Employment

- Non-farm employment in March increased on a monthly basis across the Paso del Norte region, with gains of 0.3% (800 jobs) in El Paso, 0.7% (500 jobs) in Las Cruces, and 0.6% (2,700 jobs) in Ciudad Juárez.
- The Services sector, on a year-over-year basis in March, exhibited decreases in El Paso, Las Cruces, and Ciudad Juárez of 4.2% (-9,500 jobs), 7.1% (-4,100 jobs), and 4.0% (-2,800 jobs), respectively.

Unemployment Insurance Claimants

- Data from Workforce Solutions Borderplex show that during the March 2020 to March 2021 period, April 2020 registered the highest number of unemployment insurance claimants in the Borderplex region. The number of claimants increased by about 6,000 in March 2021 compared to February. Breaking down claimants by educational attainment levels shows that high school degree graduates or GED holders, associate's degree graduates, and those who did not complete high school were the groups with the highest number of claimants.
- From the week ending on March 7, 2020 to April 24, 2021, the number of claimants in El Paso County largely mirrored those in Hidalgo County.

Border Crossings

- There were positive signs in 2021's first quarter for loaded container truck border crossings. Total passenger and pedestrian crossings continued to struggle. Most of the top U.S.-Mexico border ports of entry in 2020, in terms of loaded truck container crossings, increased in the first quarter of 2021 compared to the same period in 2020.
- With border traffic at the top ports decreasing, the largest declines in terms of total passenger and pedestrian crossings in the first quarter on a year-over-year basis were observed at the El Paso and San Ysidro ports of entry.

Employment

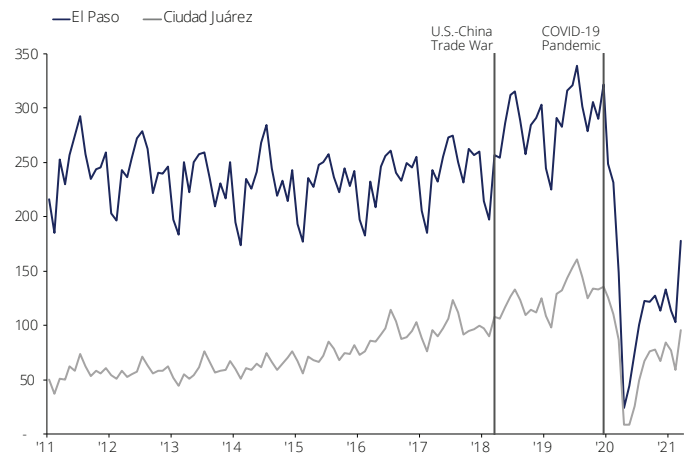
Jobs Increase Slightly

In March, non-farm employment exhibited a marginal increase in El Paso, Las Cruces, and Ciudad Juárez.

Non-farm employment in March increased on a monthly basis for the second month in a row in El Paso and Las Cruces, going up 0.3% (800 jobs) and 0.7% (500 jobs), respectively. Ciudad Juárez also exhibited an increase in non-farm employment of 0.6% (2,700 jobs) in March compared to February, its third month-over-month gain in a row. However, non-farm employment decreased in El Paso and Las Cruces on a year-over-year basis in March by 3.6% (-11,800 jobs) and 5.9% (-4,400 jobs), respectively. Nevertheless, for El Paso, the 3.6% decrease was its smallest year-over-year decline since the beginning of the current recession. Ciudad Juárez increased on a year-over-year basis for the 8th month in a row in March by 4.9% (22,400 jobs gained), its largest year-over-year increase since March 2017.

Quick-Glance Indicators

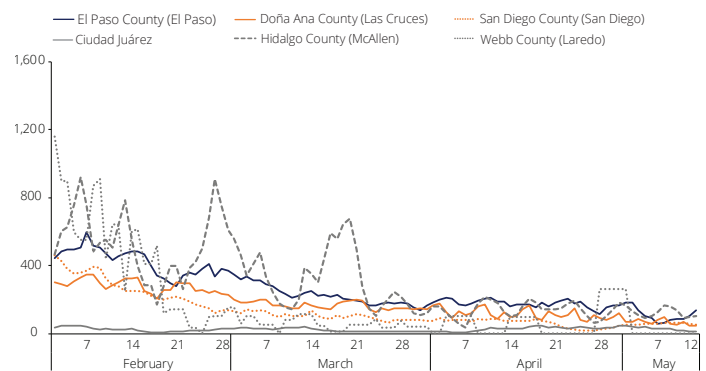
El Paso and Ciudad Juárez Air Passengers, Thousands



Note: Data as of March 2021.

Source: Hunt Institute using El Paso International Airport and Grupo OMA data.

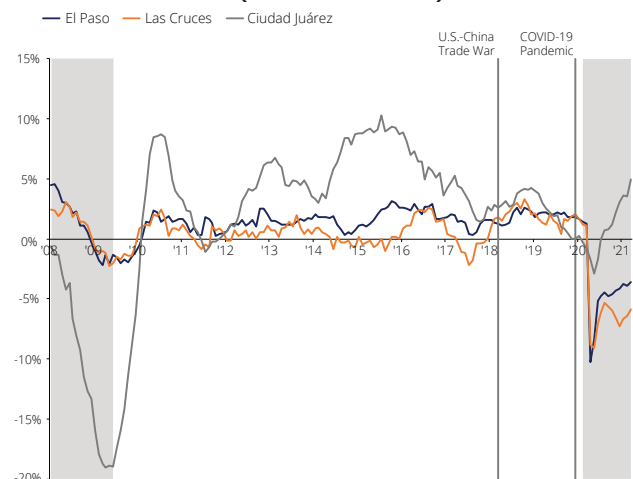
New Coronavirus Cases per 1 Million Inhabitants, 5-Day Moving Average



Note: Data as of May 12, 2021.

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 March 2021. Shaded area indicates NBER defined recession (2020 recession began in February with no end date at time of publication).

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

Across the five sectors used to compare non-farm employment across the Paso del Norte region, in March compared to February, El Paso increased in the Services (1,100 jobs) and Mining and Construction sectors (400 jobs), while decreasing in the Trade (-300 jobs), Manufacturing (-200 jobs), and Transportation and Utilities (-200 jobs) sectors. In Las Cruces, the Services sector gained 600 jobs, the Transportation and Utilities sector gained 100 jobs, while the Manufacturing sector lost 100 jobs, the Trade sector lost 100 jobs, and the Mining and Construction sector exhibited no job growth. In Ciudad Juárez, all sectors increased in March compared to February, with gains led by Manufacturing and Services, with 1,000 jobs added in each, respectively. Year-over-year, the Mining and Construction sector added 600 jobs in El Paso and 300 jobs in Ciudad Juárez, the Manufacturing sector added 100 jobs in Las Cruces and 23,900 jobs in Ciudad Juárez, the Transportation and Utilities sector added 100 jobs in Las Cruces and 1,200 jobs in Ciudad Juárez, and the Transportation and Utilities sector in El Paso remained stagnant. All other sectors across the region exhibited negative growth rates. The Services sector recorded the highest over-the-year job losses in absolute terms across the region, with decreases of approximately 9,500 jobs in El Paso, 4,100 jobs in Las Cruces, and 2,800 jobs in Ciudad Juárez.

The main sectors in March contributing to year-over-year job losses in El Paso were the Government sector with 3,500 jobs lost (-4.8%), the Leisure and Hospitality sector with 3,000 jobs lost (-8.0%), and the Education and Health Services sector with 1,600 jobs lost (-3.3%). In Las Cruces, the sectors with the largest year-over-year job losses in March were also the Leisure and Hospitality sector with 1,700 jobs lost (-20.2%), the Government sector with 1,700 jobs lost (-8.2%), and the Education and Health

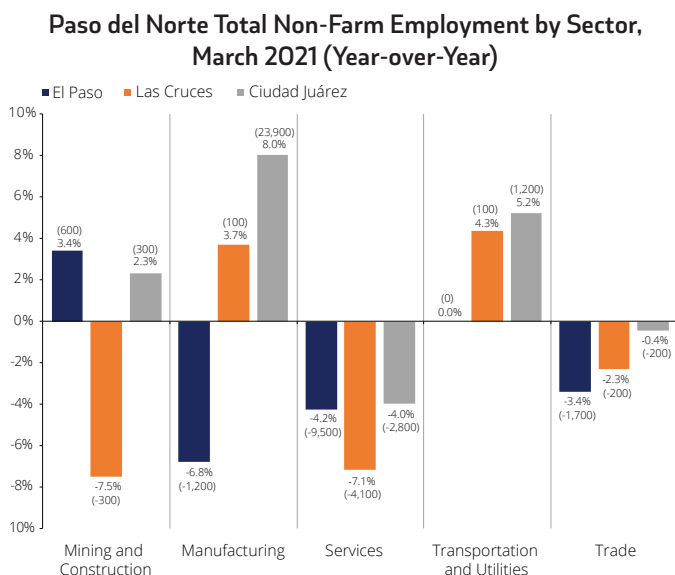
Services sector with 400 jobs (-2.4%). In El Paso and Las Cruces, Leisure and Hospitality gained 800 jobs and 300 jobs, respectively, in March.

Unemployment Claimants

Unemployment Filings Increase in March

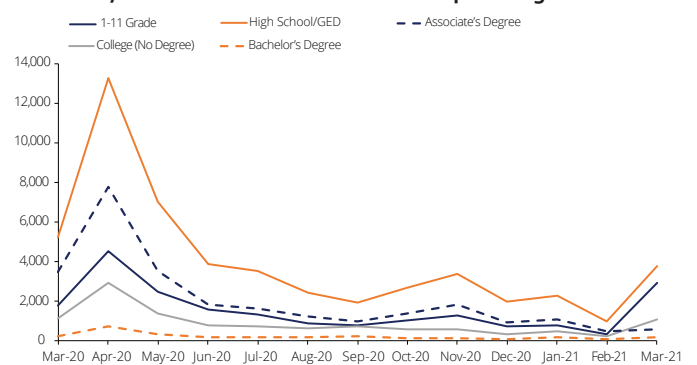
The number of unemployment insurance claimants increased by about 6,000 from February to March in the Borderplex region.

According to Workforce Solutions Borderplex, during the March 2020 to March 2021 period, April 2020 was the month with the highest number of unemployment insurance claimants in the Borderplex Region (west Texas counties of El Paso, Hudspeth, Culberson, Jeff Davis, Presidio, Brewster) at 29,787. Breaking down claimants by education level shows that high school degree graduates or GED holders, associate's degree graduates, and those who did not complete high school were the groups with the highest number of unemployment claimants in the Borderplex region during the period of March 2020 to February 2021. Although the number of unemployment claimants mainly decreased after April 2020, those with a high school degree or GED and those with no high school degree exhibited spikes in March 2021 relative to the previous month. The number of claimants in March 2021 was 8,737 (up about 6,000 from the 2,635 in February), of which 3,777 had a high school degree or GED and 2,964 had not completed high school. Across all months, the group with the lowest number of claimants has been those with a bachelor's degree or higher.



Note: Preliminary data for March 2021. Services exclude Transportation and Utilities and Trade. Numbers are rounded to the nearest hundred.
Source: Hunt Institute calculations using U.S. Bureau of Labor Statistics and Instituto Mexicano del Seguro Social data.

Monthly Unemployment Insurance Claimants by Education Level for the Borderplex Region

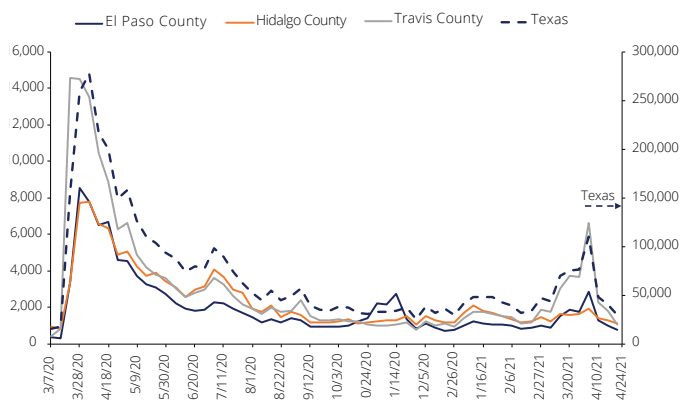


Note: Workforce Solutions Borderplex Region includes 6 counties: El Paso, Hudspeth, Culberson, Jeff Davis, Presidio, and Brewster.
Source: Hunt Institute using Workforce Solutions Borderplex data.

In terms of weekly unemployment insurance claimants from the weeks ending on March 7, 2020 to April 24, 2021, El Paso County's number of claimants largely mirrored those of Hidalgo County and at times Travis County despite its larger population, although Travis County had higher peaks. El Paso County's peak during this period was the week ending on March 28, 2020 at 8,526 claimants. The peaks for Hidalgo County and the state of

Texas were on the week ending April 4, 2020 at 7,770 and 277,714 claimants, respectively. Although trending downward after April of last year, unemployment claimants jumped on the week ending April 3, 2021 with Texas at 109,957, Travis County at 6,656, and El Paso County at 2,850. In general, El Paso County has kept the lowest number of unemployment insurance claimants, with 742 in the week ending on April 24, 2021.

Weekly Unemployment Insurance Claimants



Source: Hunt Institute using Texas Workforce Commission data.

Border Crossings

Truck Crossings Increase in the 1st Quarter

In the January to March 2021 period, loaded truck container border crossings increased at eight of the top ten ports on a year-over-year basis.

The majority of the top 10 U.S.-Mexico border ports of entry in 2020 in terms of loaded truck container border crossings increased in the January to March 2021 period year-over-year. The largest increases were exhibited at Laredo PoE with a gain of approximately 49,400 (12.1%), Otay Mesa PoE with a gain of roughly 17,200 (10.4%), Hidalgo PoE with a gain of roughly 10,300 (9.1%), and El Paso PoE with a gain of about 4,100 (3.6%). Santa Teresa PoE increased by 17.2% (3,300), the largest relative increase of the top ports.

Three of the top ten ports exhibited higher numbers in the January to March 2021 period when compared to the January to March 2019 period. Compared to 2019, the ports which increased during this period were Laredo PoE (28,700 or 6.7%), Otay Mesa PoE (6,300 or 3.6%), and Calexico-East PoE (2,300 or 4.1%). El Paso PoE, however, decreased compared to the same period in 2019 by 38,100 (-24.7%).

The top 10 U.S.-Mexico PoEs in 2020 in terms of total passenger and pedestrian crossings decreased in the January to March 2021 period year-over-year. The largest decreases took place at El Paso PoE with a loss of about 2,201,000 (-38.2%), San Ysidro

PoE with a loss of roughly 2,191,000 (-26.6%), and Laredo PoE with a loss of about 1,503,000 (-46.2%). Santa Teresa PoE fell by approximately 87,000 (-30.3%).

Top 10 U.S.-Mexico Border Ports of Entry by Loaded Container Truck Border Crossings

Port of Entry	2020	Share (%)	A Jan-Mar 2020	B Jan-Mar 2021	B-A	B-A (Δ%)
Laredo, TX	1,629,156	38.7%	406,893	456,286	49,393	12.1%
Otay Mesa, CA	712,100	16.9%	164,696	181,871	17,175	10.4%
Hidalgo, TX	436,671	10.4%	112,880	123,195	10,315	9.1%
El Paso, TX	429,384	10.2%	111,789	115,858	4,069	3.6%
Nogales, AZ	258,948	6.2%	80,106	83,792	3,686	4.6%
Calexico-East, CA	207,582	4.9%	58,134	58,884	750	1.3%
Brownsville, TX	116,710	2.8%	31,404	30,351	-1,053	-3.4%
Eagle Pass, TX	105,437	2.5%	28,353	27,433	-920	-3.2%
Santa Teresa, NM	80,806	1.9%	19,218	22,529	3,311	17.2%
Del Rio, TX	47,462	1.1%	12,828	13,007	179	1.4%

Note: Top 10 in 2020. El Paso PoE includes Ysleta PoE.

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

In addition, the top ports were all down when compared to the January to March 2019 period. The ports with the largest decreases in the first three months of 2021 compared to 2019 were El Paso PoE (-3,291,000 or -48.0%), San Ysidro PoE (-2,256,000 or -27.2%), and Laredo PoE (-1,987,000 or -53.2%).

Top U.S.-Mexico Border Ports of Entry by Total Passengers and Pedestrians

Port of Entry	2020	Share (%)	A Jan-Mar 2020	B Jan-Mar 2021	B-A	B-A (Δ%)
1. San Ysidro, CA	23,091,334	21.7%	8,232,993	6,041,809	-2,191,184	-26.6%
2. El Paso, TX	14,580,485	13.7%	5,762,359	3,561,449	-2,200,910	-38.2%
3. Otay Mesa, CA	9,289,103	8.7%	2,854,246	2,598,936	-255,310	-8.9%
4. Calexico, CA	7,838,424	7.4%	2,741,722	2,062,014	-679,708	-24.8%
5. Laredo, TX	7,672,728	7.2%	3,251,964	1,749,165	-1,502,799	-46.2%
6. Brownsville, TX	6,226,588	5.8%	2,544,786	1,510,678	-1,034,108	-40.6%
7. Hidalgo, TX	5,978,744	5.6%	2,455,588	1,478,882	-976,706	-39.8%
8. San Luis, AZ	5,284,567	5.0%	1,919,729	1,486,923	-432,806	-22.5%
9. Nogales, AZ	5,060,302	4.7%	2,272,935	1,206,118	-1,066,817	-46.9%
10. Eagle Pass, TX	3,872,780	3.6%	1,554,642	927,004	-627,638	-40.4%
20. Santa Teresa, NM	750,081	0.7%	287,609	200,590	-87,019	-30.3%

Note: Top ports in 2020. El Paso PoE includes Ysleta PoE. Updated 2020 numbers for Otay Mesa PoE as per BTS.

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

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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