



TEXAS

The Real Estate Center at Texas A&M noted in their May Summary that “Texas economic expansion continued amid increased energy and manufacturing activity. Low unemployment pulled workers back into the workforce, but wages remained suppressed. Despite stagnant earnings, inflationary pressures grew on multiple fronts due to transportation and housing costs. At the regional level, energy-driven metropolitan areas (e.g. Houston, Midland, and Odessa) benefitted from higher oil prices and prolific production. Crude exports remain elevated but stepped back slightly this month. In general, the Texas export boom continued, fueled by petroleum and transportation equipment. Retaliatory trade barriers on U.S. goods, however, pose a serious threat to Texas' current rate of growth.”

AUSTIN

“Austin economic activity held steady in May. The Austin Business-Cycle Index continued to grow near trend. Job growth accelerated after softening in March and April, while the unemployment rate fell to its lowest rate since the beginning of the year. Recently released detailed job data for high-tech employment suggest that growth in both tech services and manufacturing was strong last year.” – July 2018 – Austin Economic Indicators

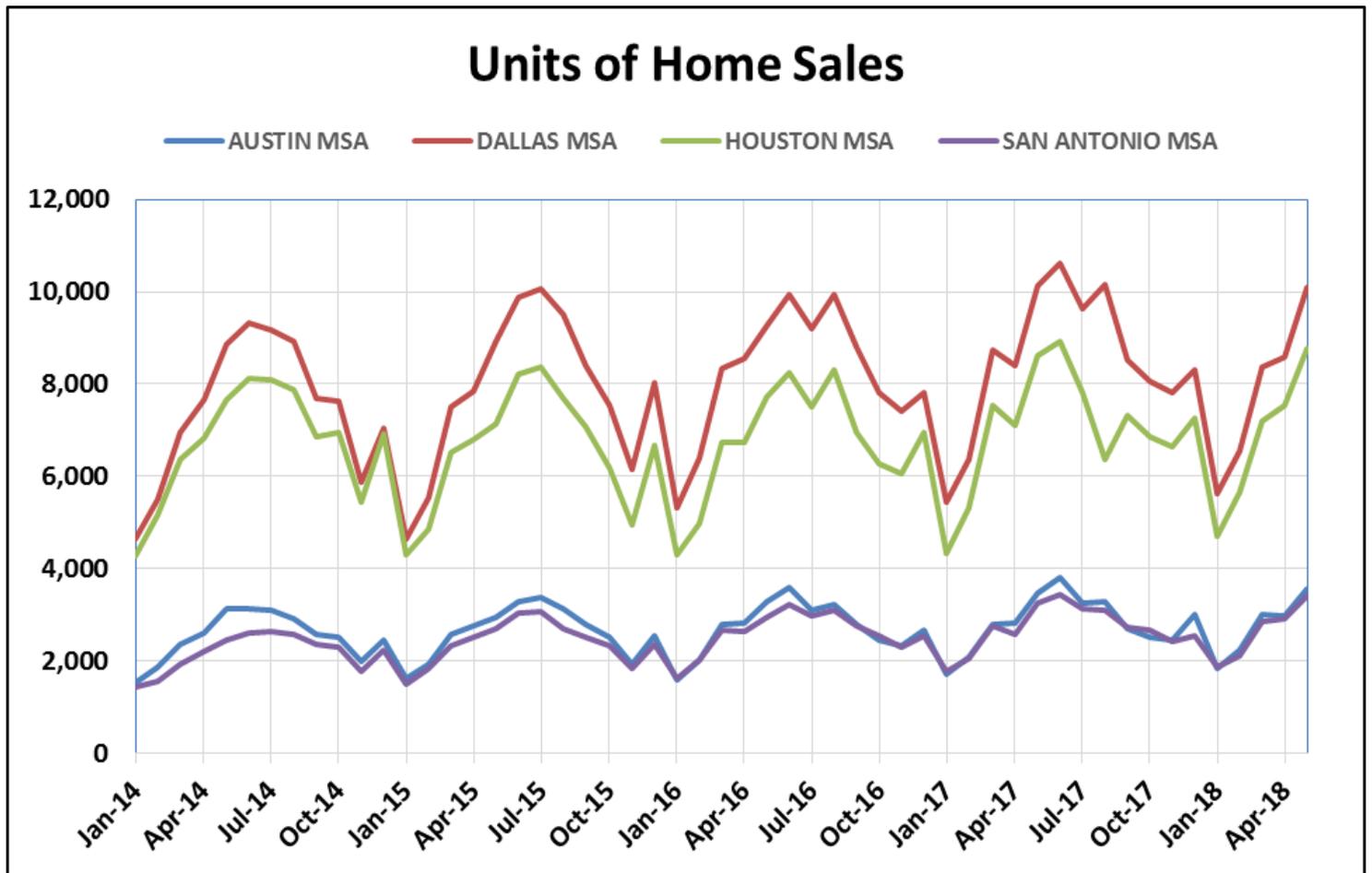


UNITED STATES

“Economic data released since May point to continued growth in economic activity due to robust consumer spending, strong employment growth and diminishing labor market slack. Forecasted gross domestic product (GDP) growth for the rest of the year is strong. Inflation has picked up slightly, while inflation expectations have been little changed in the past three months.” - Research Department at the Federal Reserve Bank of Dallas

HOUSING – HOME SALES

Austin MSA’s “Sales volume for single-family homes increased 4.22% YoY from 3,080 to 3,210 transactions. Year-to-date sales reached a total of 12,102 closed listings. Dollar volume rose from \$1.2 billion to \$1.27 billion.” – May Housing Report for Austin-Round Rock – Real Estate Center

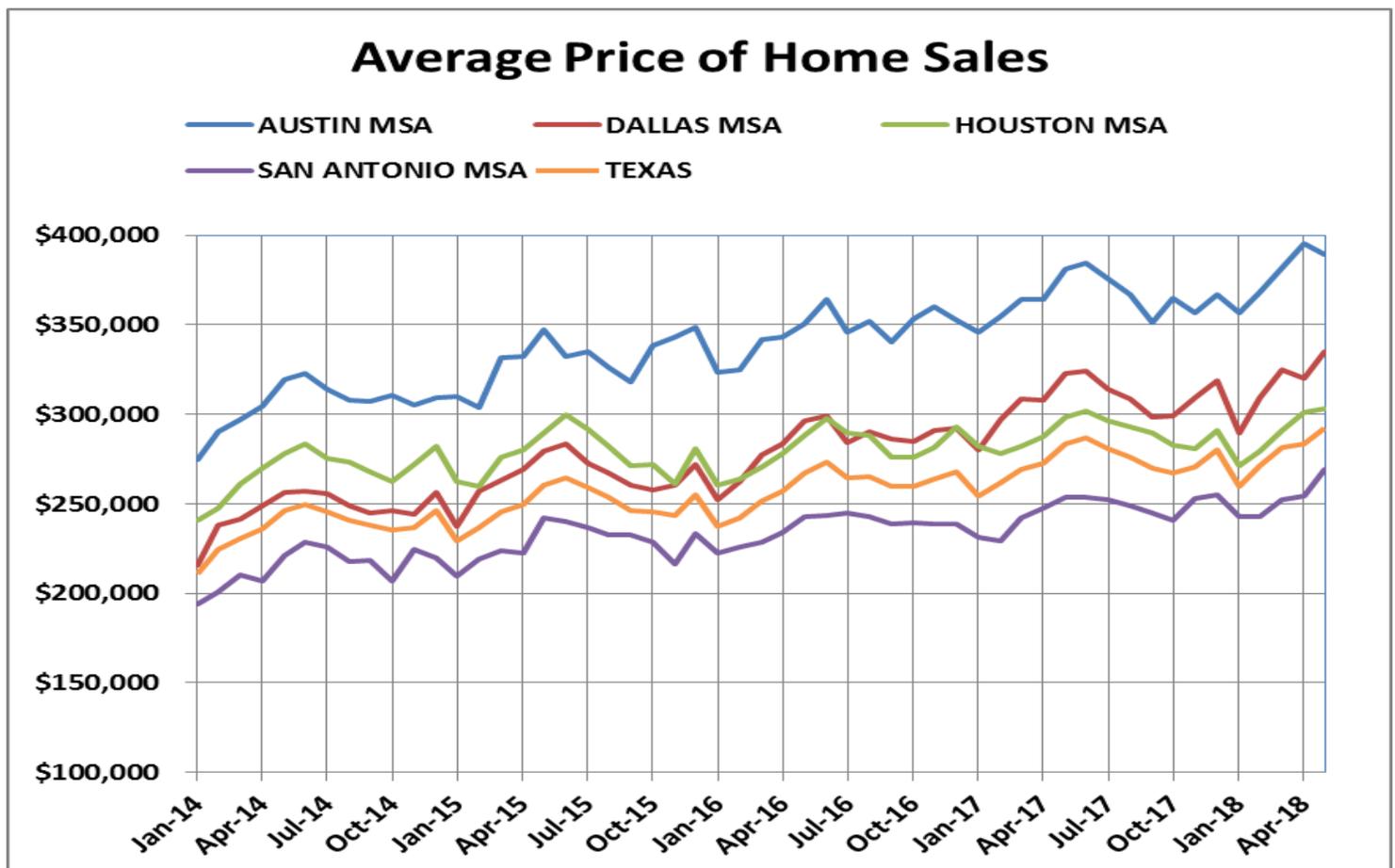


Source: Real Estate Center at Texas A&M University

HOUSING – AVERAGE SALES PRICE

For a single-unit of residential housing in the Austin MSA, **the average sales price in May 2018 increased [year-over-year] from \$381,398 to \$389,061.** The average price per square foot rose from \$178.42 to \$183.44.

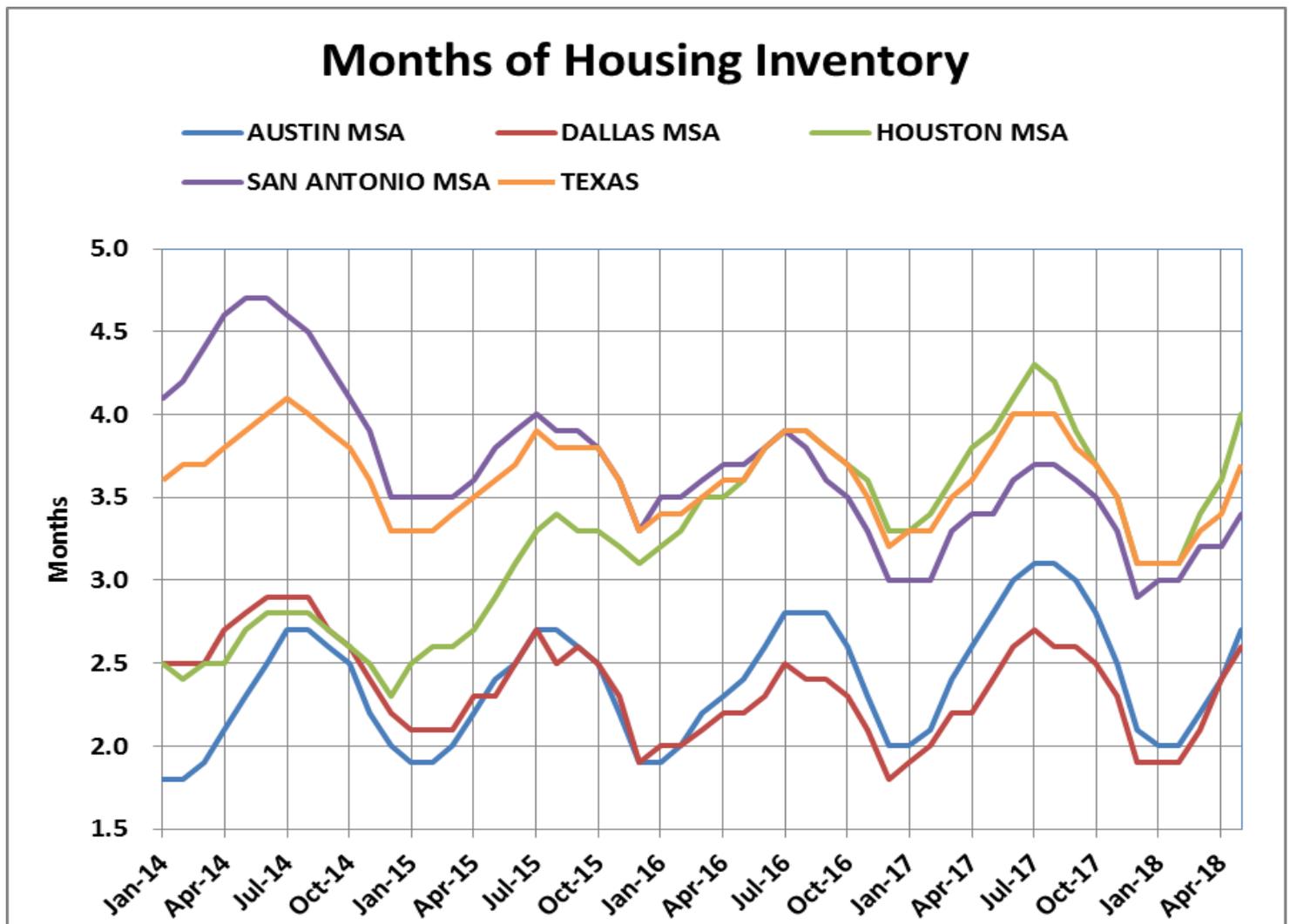
“Year over year, prices are up 2.5 percent in Austin—notably weaker than the 5.6 percent growth rate 12 months prior but still above the state’s 1.0 percent increase. **Austin remains the most expensive residential housing market in Texas** and has the second-lowest inventory levels.” – Austin Economic Indicators – Dallas Fed – July 2018



Source: Real Estate Center at Texas A&M University

HOUSING – INVENTORY

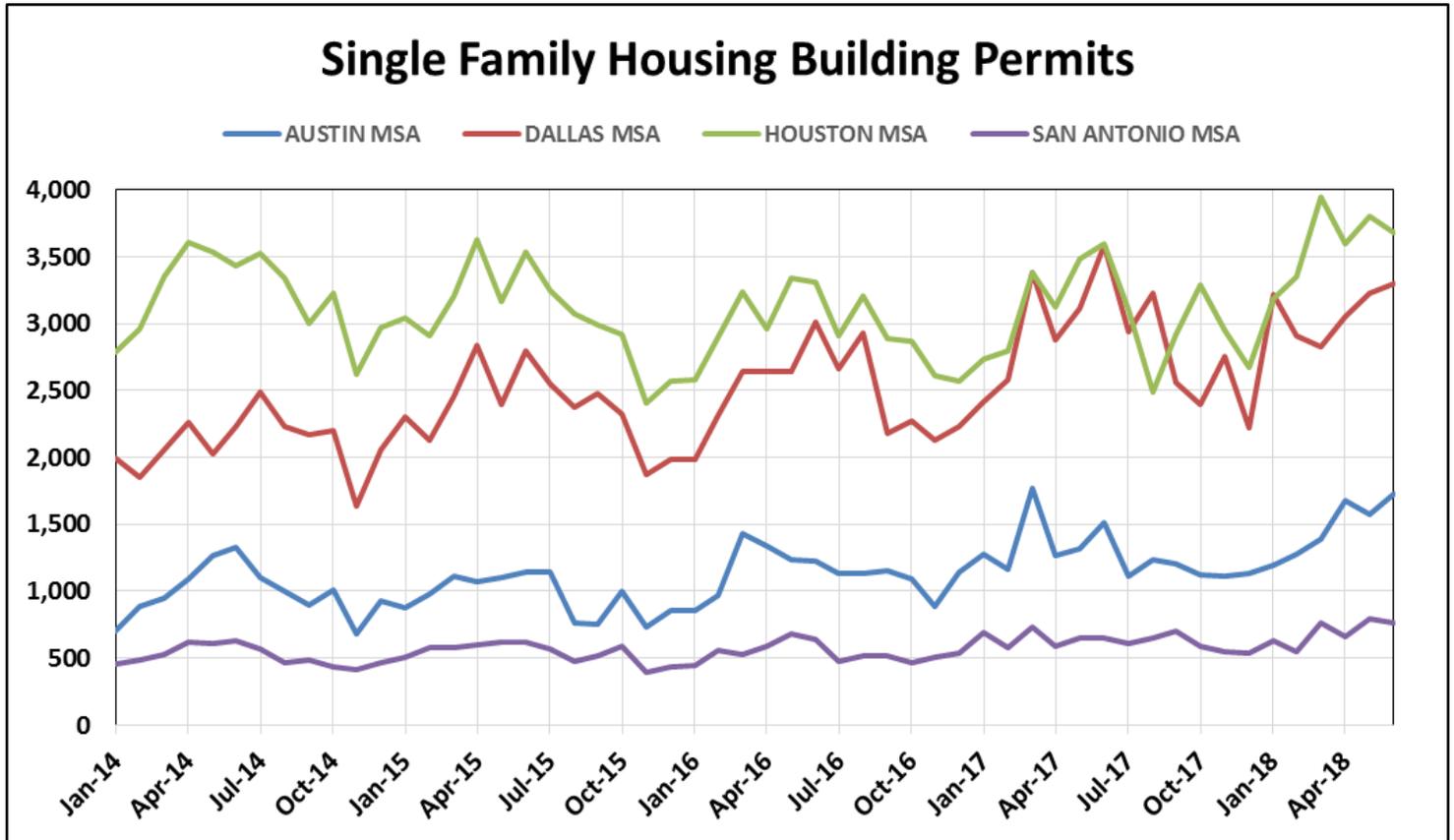
The **Austin MSA's months of housing inventory was 2.7 in May 2018**. The Real Estate Center has estimated that “seasonally adjusted; around 6.5 months of inventory is considered a balanced housing market in which neither sellers nor buyers dictate prices.”



Source: Real Estate Center at Texas A&M University

HOUSING – SINGLE FAMILY BUILDING PERMITS

“Single-family housing construction permits (unweighted) picked up 4.2 percent with 11,031 issued (non-seasonally adjusted) after stagnating the past three months. Texas remained the national leader, accounting for 15 percent of permits issued across the country. Houston topped the national metropolitan rankings, issuing 3,794 permits, followed by Dallas-Fort Worth at 3,222. Austin held sixth place in the metropolitan ranking with 1,517 permits despite a 5 percent decline. The San Antonio MSA, which has 358,000 more residents than Austin, issued just 792 permits.” – Texas Housing Insight – Real Estate Center June 2018

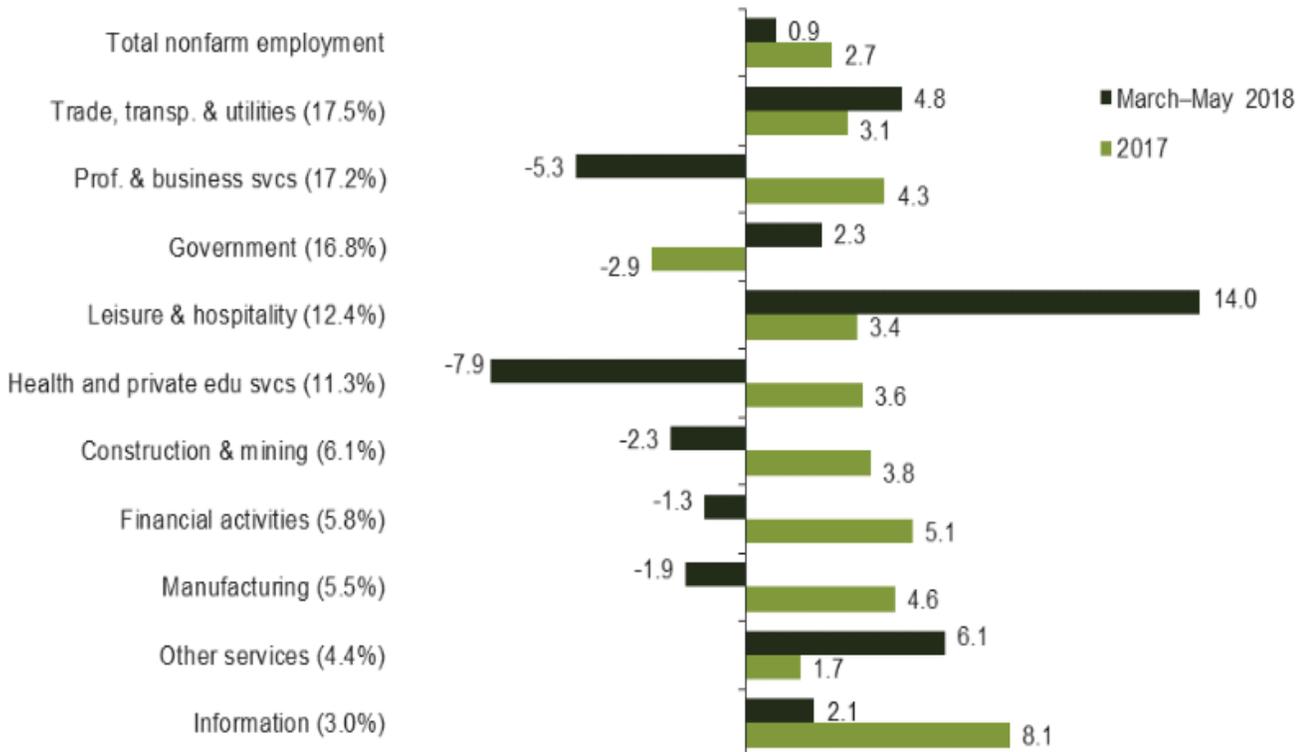


Source: Real Estate Center at Texas A&M University

JOBS – GROWTH RATE – AUSTIN

“Austin jobs grew at a mild 0.9 percent annualized rate over the three months through May. Growth was mixed across industries, with all goods-producing sectors and several large service sectors shedding jobs. The large sectors of professional and business services and health and education services in particular experienced sharp declines and shed nearly 3,300 jobs over this time. Conversely, leisure and hospitality employment surged, adding over 4,200 jobs. Retail and wholesale trade continued to grow, pushing trade, transportation and utilities employment well above its pace last year.” - Austin Economic Indicators - Dallas Fed – July 2018

Employment Growth



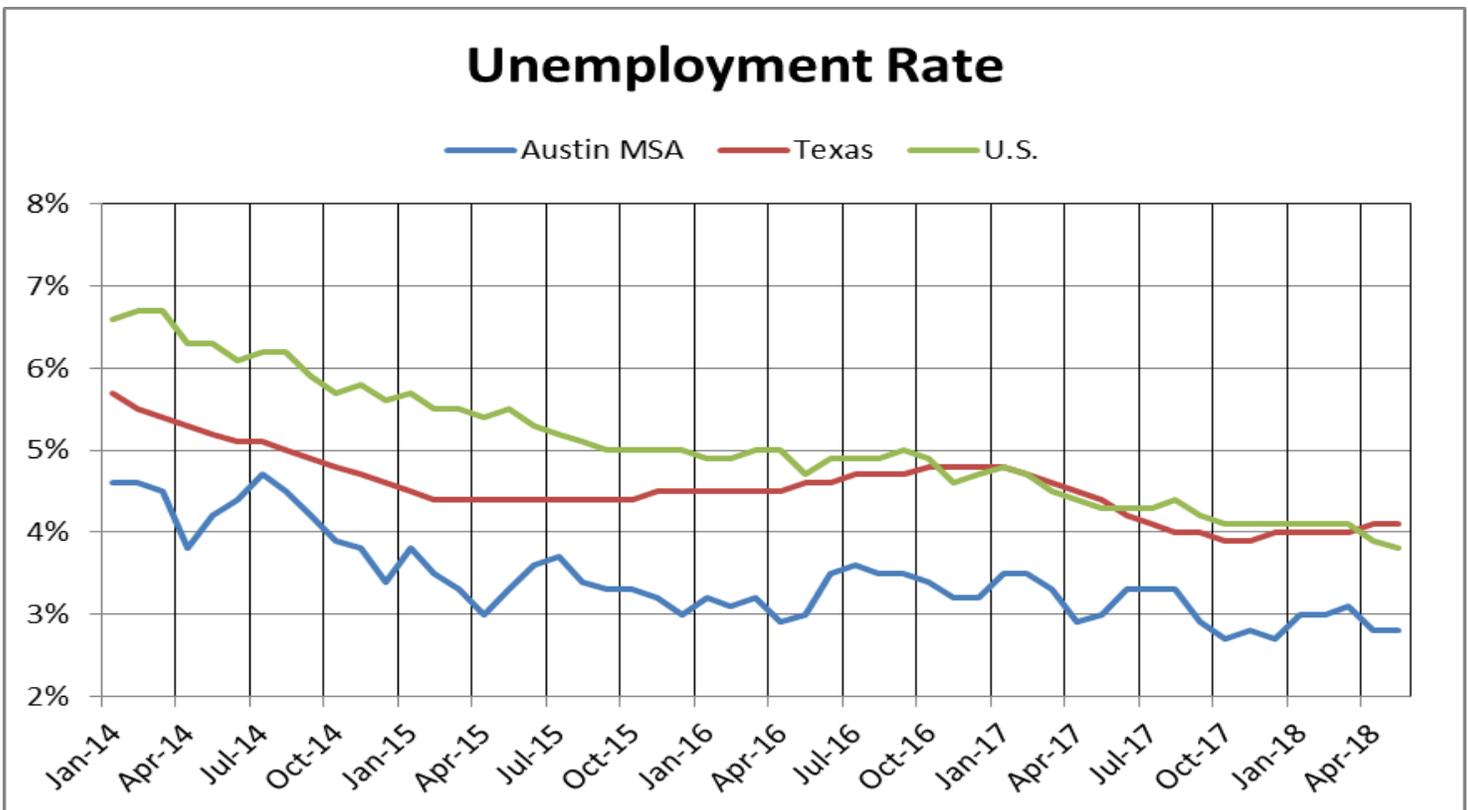
NOTES: Data show seasonally adjusted and annualized percentage employment growth by industry. Numbers in parentheses represent share of total employment and may not sum to 100 due to rounding.

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

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

“Austin MSA unemployment rate was 2.8 percent in May. This is well below the May state and U.S. jobless figures of 4.1 and 3.8 percent, respectively. The local labor force has expanded at a strong 3.8 percent annualized pace year to date, faster than Texas’ 3.5 percent and behind only Dallas among the state’s major metros.” - Austin Economic Indicators - Dallas Fed – July 2018

“The Texas unemployment rate held steady at 4.1 percent in May, while the U.S. rate edged down to 3.8 percent. The jobless rate in Texas has crept up relative to the national rate since March primarily due to stronger labor force growth in the state—more workers sought jobs in an already tight labor market. Despite being slightly above the national rate, the Texas unemployment rate remains near historical lows. Broader measures of labor market slack—including discouraged and marginally attached workers and those working part-time for economic reasons—have also dropped well below their prerecession averages.” - Texas Economic Update – Federal Reserve Bank of Dallas – June 2018

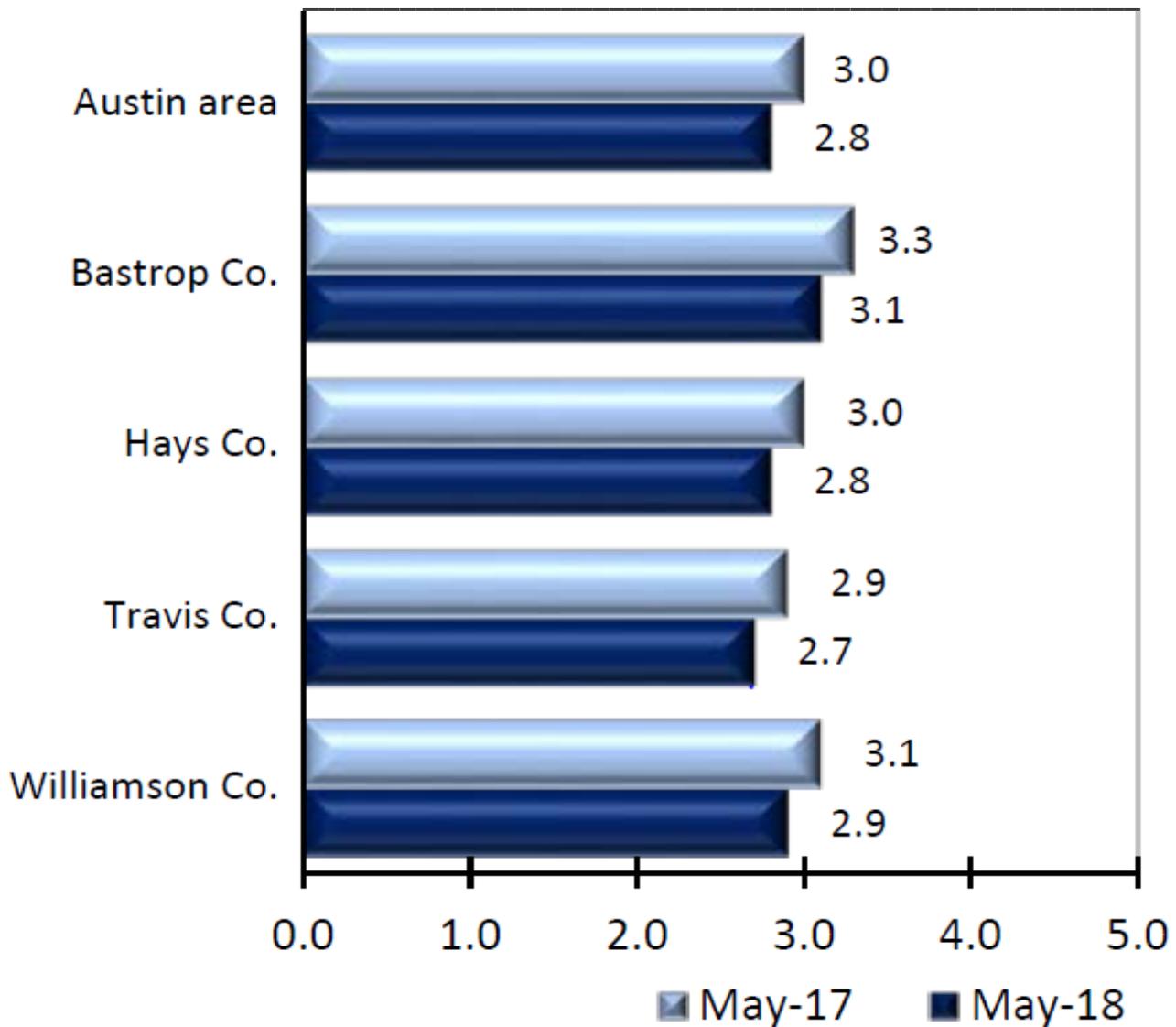


Note: U.S. and Texas seasonally adjusted, Austin MSA not seasonally adjusted.
Source: Bureau of Labor Statistics

JOBS - UNEMPLOYMENT RATE – AUSTIN AREA

Below is a chart taken from the June 27, 2018, Austin Area Economic Summary prepared by the U.S. Bureau of Labor Statistics. It graphically shows that unemployment rates throughout the Austin area have declined compared to prior year.

Unemployment rates



Source: U.S. BLS, Local Area Unemployment Statistics.

JOBS – NONFARM EMPLOYMENT BY INDUSTRY

The chart below shows the year-over-year changes in employment by major industry sector. The total **Austin area nonfarm employment** has increased by **33,900 jobs (3.3%)** from prior year.

Austin area employment (numbers in thousands)	May 2018	Change from May 2017 to May 2018	
		Number	Percent
Total nonfarm	1,068.8	33.9	3.3
Mining, logging, and construction	63.5	1.7	2.8
Manufacturing	57.8	0.9	1.6
Trade, transportation, and utilities	184.3	8.8	5.0
Information	30.9	1.3	4.4
Financial activities	61.5	2.2	3.7
Professional and business services	184.8	10.7	6.1
Education and health services	121.1	0.2	0.2
Leisure and hospitality	136.2	9.6	7.6
Other services	46.7	1.7	3.8
Government	182.0	-3.2	-1.7

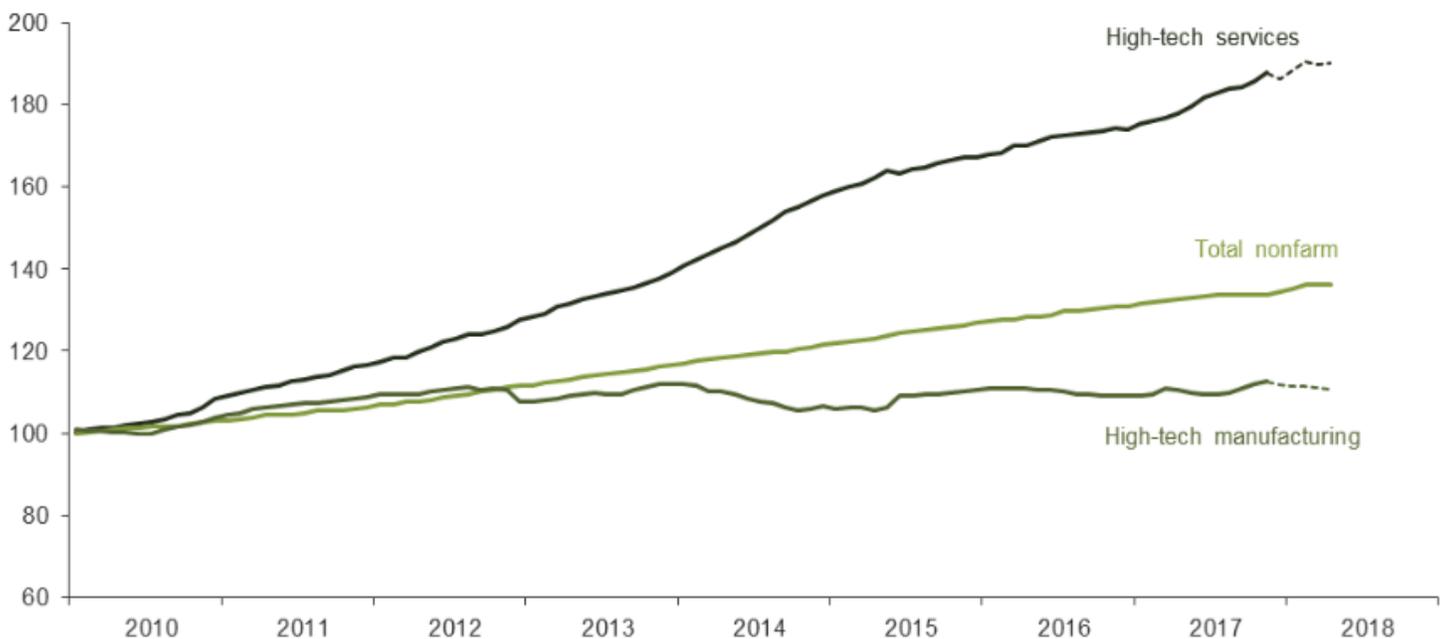
Source: U.S. BLS, Current Employment Statistics.

JOBS – HIGH-TECH SERVICES AND MANUFACTURING JOBS - AUSTIN

“High-tech service and manufacturing jobs grew last year in Austin. The most recently available detailed industry data show that the **high-tech industry added jobs at a 6.3 percent rate in 2017**, more than double the 2.7 percent rate for total jobs. However, the **tech services sector**, which includes computer systems design, data processing, scientific research and development, and other related industries, **accounted for the majority of this growth at 7.7 percent**. Meanwhile, **manufacturing**, which primarily comprises computer and electronics manufacturing, **grew just 3.1 percent**. Broader industry data suggest that year-to-date growth in high-tech has slowed somewhat, with services increasing 3.1 percent (annualized) and manufacturing declining 4.0 percent.” - Austin Economic Indicators - Dallas Fed – July 2018

High-Tech Manufacturing and Services Employment

Index, January 2010 = 100



NOTES: Data are seasonally adjusted. Dashed lines represent estimates based on broader industry data.

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

JOBS – HOW DOES THE TEXAS UNEMPLOYMENT RATE COMPARE?

In June 2018, Texas was tied with Oregon at number 27.

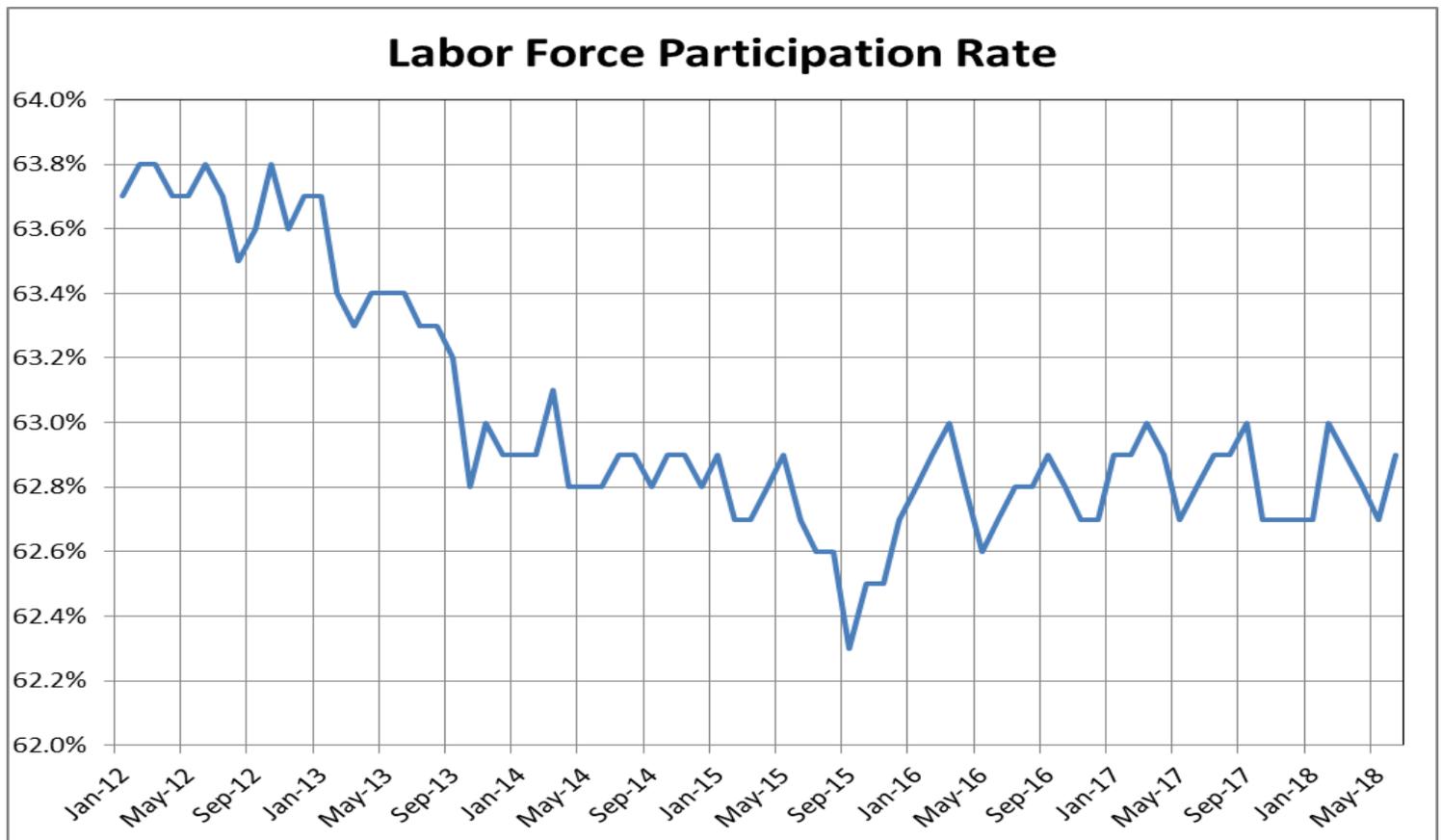
State	June 2018 (p)	Rank
Hawaii	2.1	1
North Dakota	2.6	2
Colorado	2.7	3
Iowa	2.7	3
New Hampshire	2.7	3
Vermont	2.8	6
Idaho	2.9	7
Maine	2.9	7
Nebraska	2.9	7
Wisconsin	2.9	7
Utah	3.0	11
Minnesota	3.1	12
South Dakota	3.2	13
Virginia	3.2	13
Indiana	3.3	15
Kansas	3.4	16
Massachusetts	3.5	17
Missouri	3.5	17
Tennessee	3.5	17
Wyoming	3.7	20
Arkansas	3.8	21
Florida	3.8	21
Montana	3.8	21
South Carolina	3.8	21
Delaware	3.9	25
Oklahoma	3.9	25

State	June 2018 (p)	Rank
Oregon	4.0	27
Texas	4.0	27
Alabama	4.1	29
Georgia	4.1	29
California	4.2	31
Kentucky	4.2	31
North Carolina	4.2	31
Illinois	4.3	34
Maryland	4.3	34
New Jersey	4.3	34
Pennsylvania	4.3	34
Rhode Island	4.3	34
Connecticut	4.4	39
Michigan	4.5	40
New York	4.5	40
Ohio	4.5	40
Arizona	4.7	43
Louisiana	4.7	43
Mississippi	4.7	43
Nevada	4.7	43
Washington	4.7	43
New Mexico	4.9	48
West Virginia	5.3	49
Alaska	7.1	50
Footnotes		
(p) Preliminary		

Source of Data: Bureau of Labor Statistics

JOBS – LABOR PARTICIPATION RATE

“On Friday, the Labor Department's Bureau of Labor Statistics said the economy **added 213,000 jobs in June**, a strong number; the number of employed Americans, 155,576,000, set its tenth record of the Trump presidency; but the number of unemployed Americans (which includes people who are actively looking for jobs) increased by almost half-a-million. **The unemployment rate increased** two tenths of a point **to 4.0 percent**. While the participation rate remains stagnant, the **number of Americans not in the labor force** – those neither working nor looking for a job – **remained** stubbornly high last month, **at 95,502,000**, partly because members of the Baby Boom generation are retiring in increasing numbers. This number has increased seven times since Trump took office.” - CNS News – July 2018



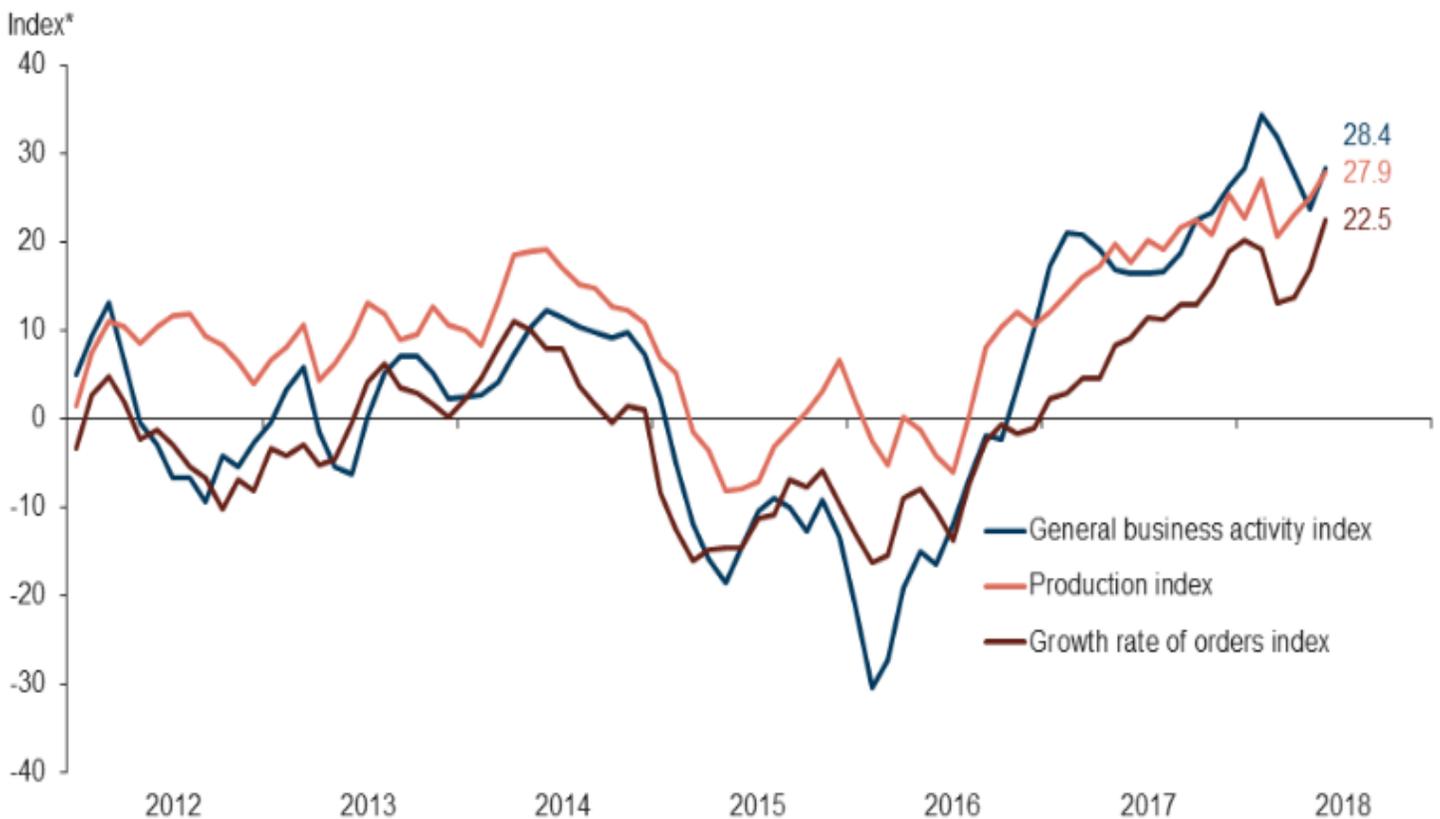
Source of Data: Bureau of Labor Statistics

The **labor force participation rate**, as defined by the Bureau of Labor Statistics (BLS), is “the percentage of the population [16 years and older] that is either employed or unemployed [that is, either working or actively seeking work].”

JOBS – TEXAS MANUFACTURING OUTLOOK SURVEY

“The three-month moving averages of key indexes in the Dallas Fed’s **Texas Manufacturing Outlook Survey** indicated **accelerating expansion in the manufacturing sector** in June. The three-month moving average of the **production index and the growth rate of orders index each rose to its highest point since 2006**. The three-month moving average of the general business activity index increased as well and remained above its post-recession average (January 2010–December 2017).” – Texas Economic Update - Dallas Fed – July 2018

Texas Manufacturing Outlook Survey Indexes



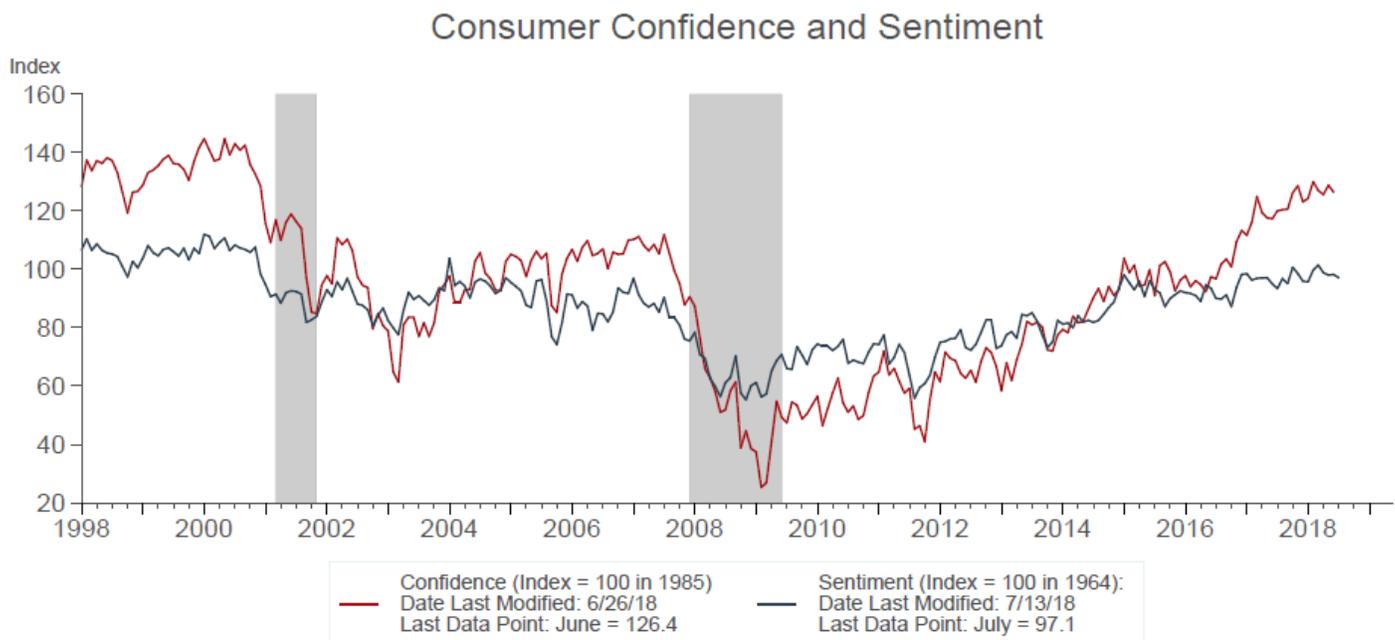
*Seasonally adjusted, three-month moving average.
SOURCE: Dallas Fed.

“The Texas Manufacturing Outlook Survey offers early look at turning points and insights on trends.” – Texas Economy – Dallas Fed

CONSUMER CONFIDENCE AND SENTIMENT – U.S.

“Consumer confidence declined in June after improving in May,” said Lynn Franco, Director of Economic Indicators at The Conference Board. “Consumers’ assessment of present-day conditions was relatively unchanged, suggesting that the level of economic growth remains strong. While expectations remain high by historical standards, the modest curtailment in optimism suggests that **consumers do not foresee the economy gaining much momentum in the months ahead.**” - The Conference Board – June 2018

“Consumer sentiment gains slightly in June, but falls below expectations. Chief Economist for The University of Michigan's survey Richard Curtin said one-in-four **consumers spontaneously cited the potential negative impact of tariffs** on the domestic economy. Curtin said the primary concerns were a down-pace in economic growth and rising inflation.” – CNBC – June 2018



NOTE: Gray shaded areas indicate NBER recessions.
 SOURCES: The Conference Board; Survey of Consumers; Survey Research Center; U. of Michigan.

Provided by Federal Reserve of Dallas – U.S. Economy Charts– July 2018

U.S. consumer **confidence** index (CCI) is defined as “**the degree of optimism on the [current] state of the economy** that consumers are expressing through their activities of savings and spending.” – Wikipedia

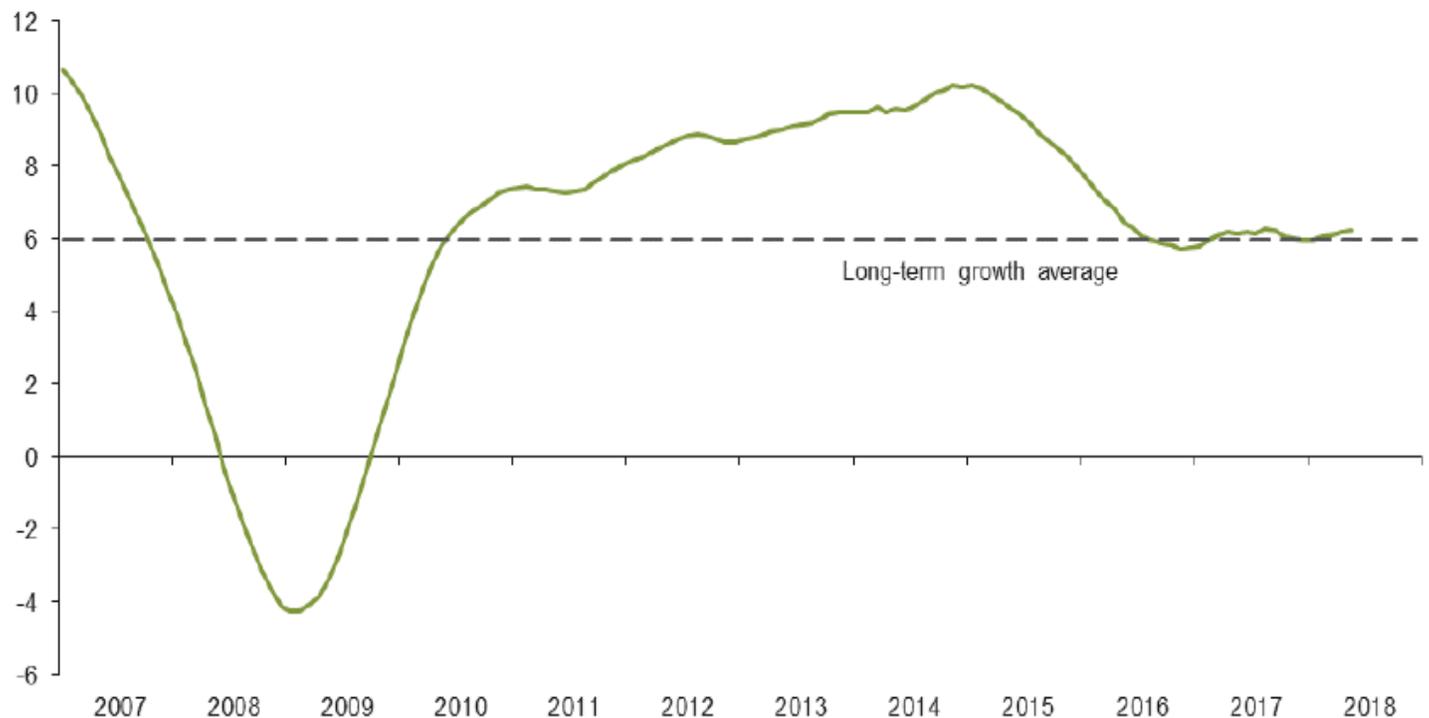
U.S. consumer **sentiment** is defined as “the indicator of the **future course of the national economy.**” – Investopedia

BUSINESS CYCLE INDEX – AUSTIN MSA

“The Austin Business-Cycle Index expanded at a **6.2 percent rate in May**, similar to April’s pace and slightly above **the long-term rate of 6.0 percent**. May employment growth and the jobless rate continued to indicate strength; however, growth in the index remains somewhat subdued and has held near its long-term average since mid-2016.”– Austin Economic Indicators - Dallas Fed

Austin Business-Cycle Index

Percent change, month/month*



*Seasonally adjusted, annualized rate.

SOURCE: Dallas Fed.

Business Cycle Indexes are meant to reflect broad movements in local economic conditions. The Dallas Fed states that “the [local area] indexes are constructed based on the aggregated movements in the local area unemployment rate, nonagricultural employment, inflation-adjusted wages, and inflation-adjusted retail sales. The weights of the components are statistically optimized for each metropolitan area in order to best capture the underlying cyclical movements in the local area economy.”

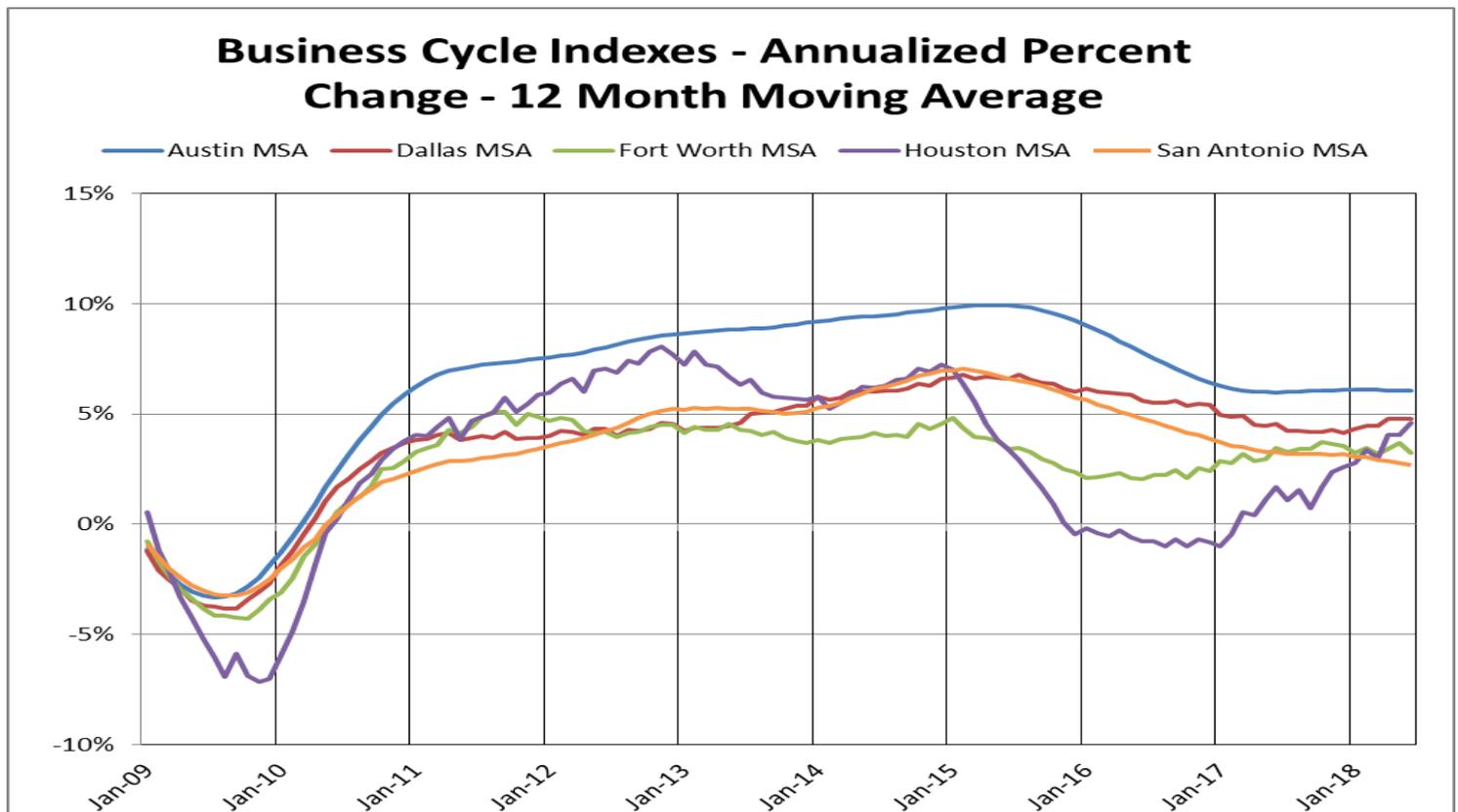
BUSINESS CYCLE INDEX – MAJOR METROS

In the chart below, a twelve month moving average was incorporated to smooth out short-term fluctuations and highlight longer-term cycles.

“The Dallas and Fort Worth business-cycle indexes continue to indicate strong expansion in the metroplex. **Year-over-year growth was 4.8 percent for Dallas and 3.2 percent for Fort Worth.** Growth in the **Fort Worth index slowed to an annualized 1.3 percent in June**, compared with May’s 5.4 increase.” – Dallas Fed – July 2018

“**Growth in the Houston Business-Cycle Index was 6.2 percent in the three months ending in May 2018**—well above its longer-run average of 3.2 percent. The index has been growing at an accelerated rate since November 2017 due to the effects of a growing energy industry, a post-Hurricane Harvey boost, broader global economic strength and continued growth in the U.S. economy.” - Dallas Fed – June 2018

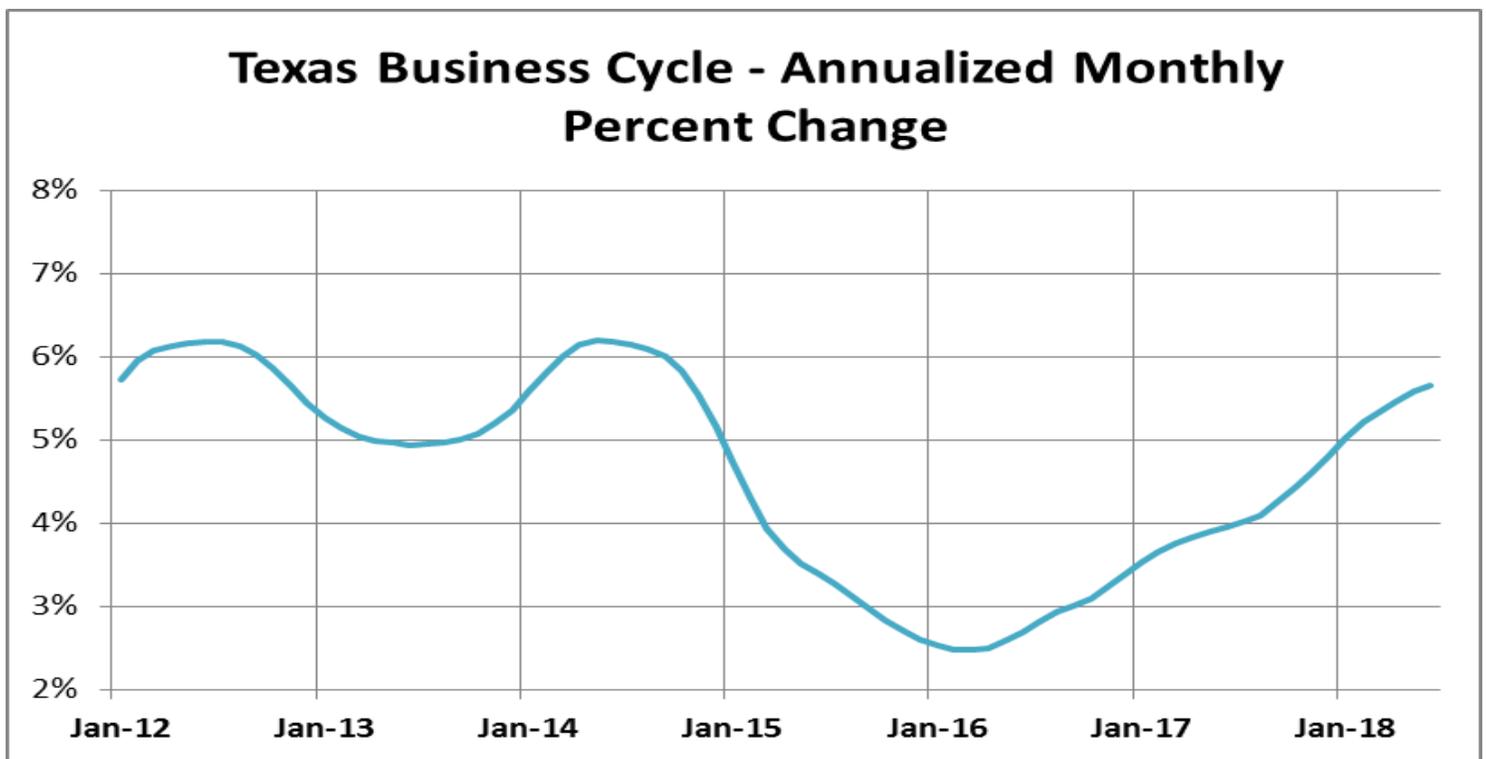
“The **San Antonio Business-Cycle Index expanded at a 2.1 percent annualized rate in June**, decelerating slightly from May’s rate and lingering below its long-term average of 3 percent. Job growth has increased just 0.5 percent year to date, contributing to the overall weakness in the index relative to 2017.” – Dallas Fed – July 2018



Source: Federal Reserve of Dallas - Index, 1980 = 100

BUSINESS CYCLE INDEX – TEXAS

“Spurred by widespread employment gains, the Dallas Fed's Business-Cycle Index ticked up 5.5 percent on a quarterly seasonally adjusted annualized rate (SAAR) to its highest level since 2014. Growth in the energy industry pushed the Houston economy up 6.2 percent SAAR despite fading hurricane-related reconstruction stimuli. Austin's booming technology industry supported 6.2 percent growth, slightly above its two-year average. North Texas maintained a more modest expansion at 5.4 and 3.8 percent growth in Dallas and Fort Worth, respectively, while the San Antonio economy grew just 2.0 percent amid weak hiring activity.”
 – Outlook for the Texas Economy – Real Estate Center – July 2018

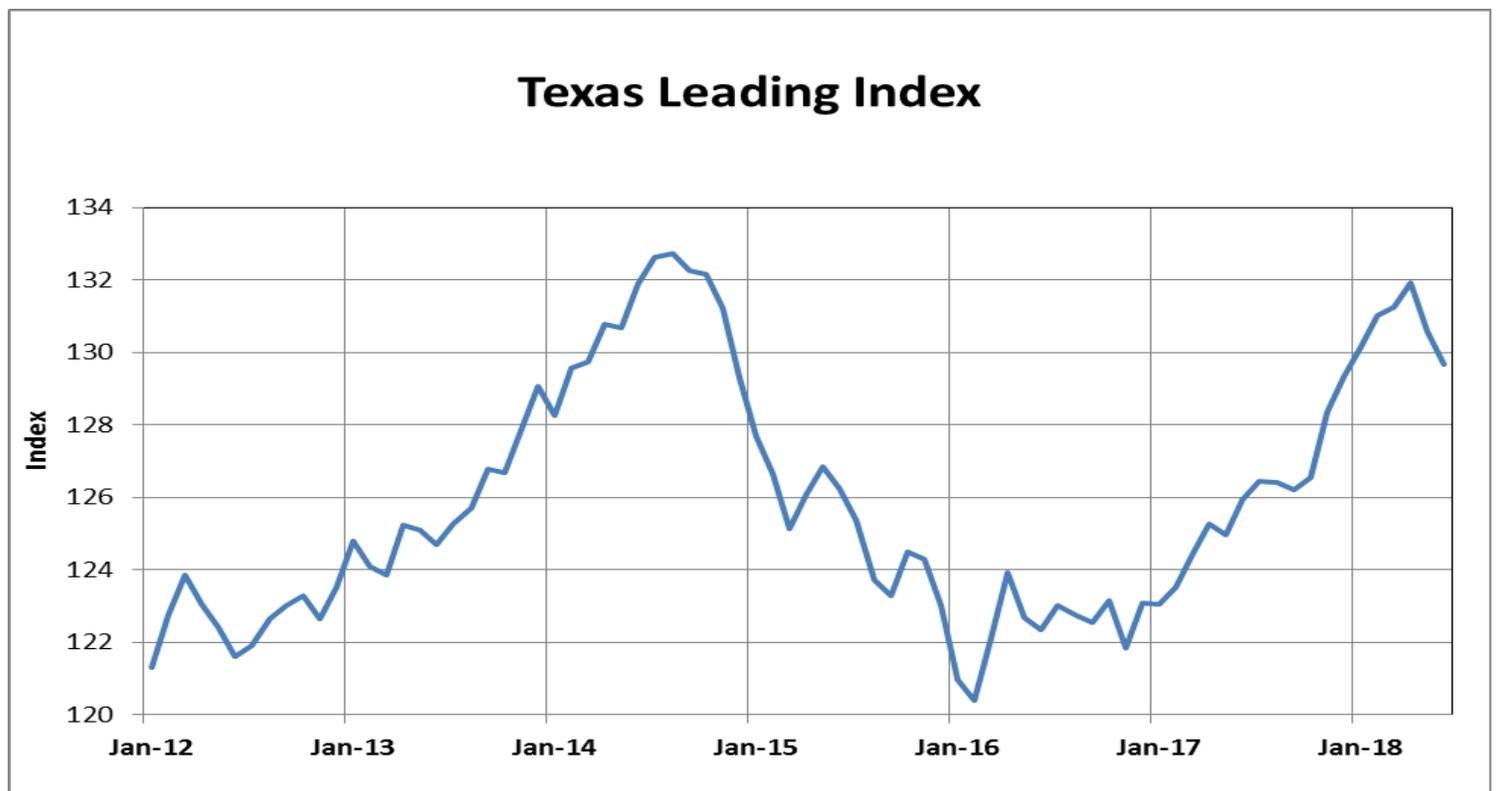


Source: Federal Reserve of Dallas - Index, 1987 = 100

“The **Texas Business-Cycle Index** is a single economic statistic that helps gauge the **current state** of the Texas economy. The Texas Business-Cycle Index is constructed using payroll employment, gross state product and the unemployment rate.” – Dallas Fed

LEADING INDEX – TEXAS

The **Texas Leading Economic Index** trended positive but **decelerated to 5.7 percent growth year over year (YOY)**. The minor slowdown led to downward revisions from 3.6 to 3.3 percent growth in the Dallas Fed's 2018 statewide employment forecast. Gains in the Texas trade-weighted value of the dollar offset higher oil prices, low unemployment, and growth in the national economy. – Outlook for the Texas Economy - Real Estate Center – Texas A&M University – July 2018

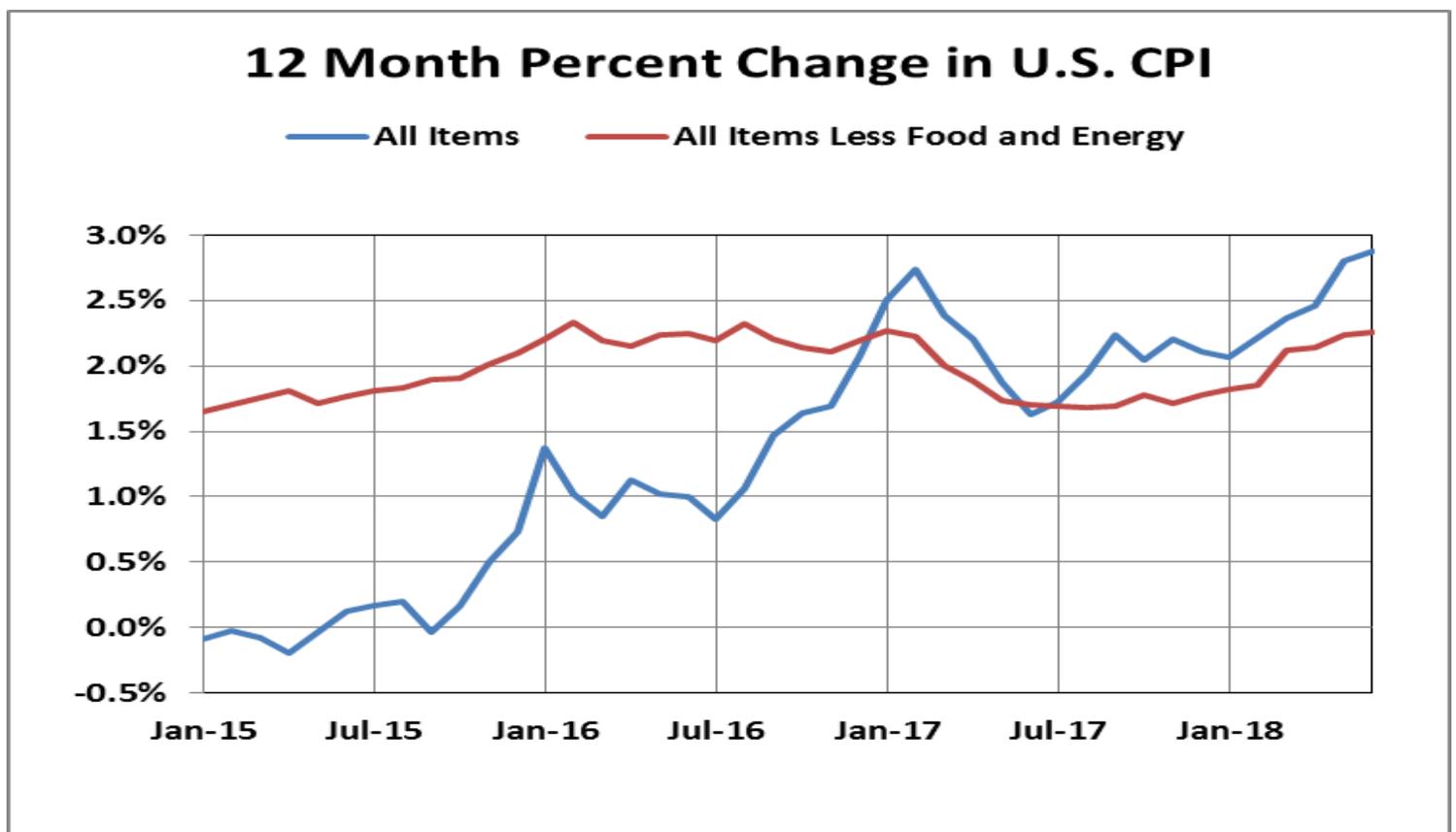


Source: Federal Reserve of Dallas – Index, 1987 = 100

Dallas Fed has defined the **Texas Leading Index** as the “single summary statistic that sheds light on **the future of the State's economy**.” The Texas Leading Index is made up of eight leading indicators that have been shown to change direction – up or down – before the overall economy. The eight indicators used by the Dallas Fed are the Texas value of the dollar, U.S. leading index, real oil price, well permits, initial claims for unemployment insurance, Texas stock index, help-wanted index and average weekly hours worked in manufacturing.

CONSUMER PRICE INDEX

“The all items index rose **2.9 percent for the 12 months ending June**; this was the largest 12-month increase since the period ending February 2012. The index for **all items less food and energy rose 2.3 percent for the 12 months ending June**. The food index increased 1.4 percent, and the energy index rose 12.0 percent, its largest 12-month increase since the period ending February 2017.” - BLS – Economic News Release

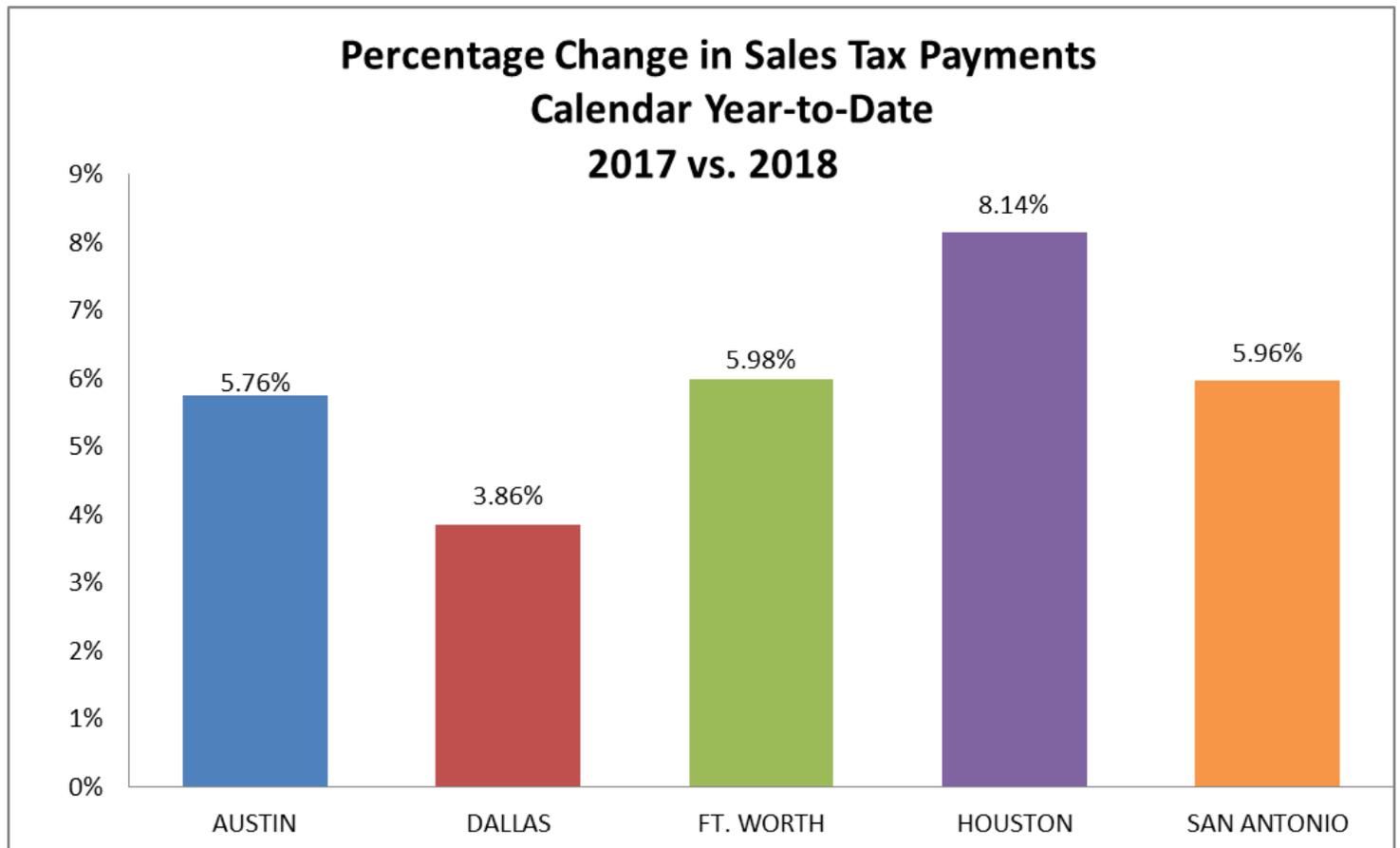


Source: Bureau of Labor Statistics, not seasonally adjusted, 1982-84=100

According to the Bureau of Labor Statistics (BLS), “There are a variety of CPI numbers generated each month. In the graph above, two numbers are compared. The first is the **Official CPI Number** that is reported to the media. It is the broadest and most comprehensive CPI and is called the **All Items CPI for All Urban Consumers**. The second one is called the **All items less food and energy**.” The BLS mentions that “Some users of CPI data use this index because food and energy prices are relatively volatile, and these users want to focus on what they perceive to be the ‘core’ or ‘underlying’ rate of inflation.”

SALES TAX – MAJOR METRO

Below is a graph of the 2017 vs. 2018 year-to-date percentage change in Sales Tax Payments made by the State to the five major cities in Texas. Based on the July 2018 report, the increase in **Austin's year-to-date revenue is 5.76% or \$7.1M.**

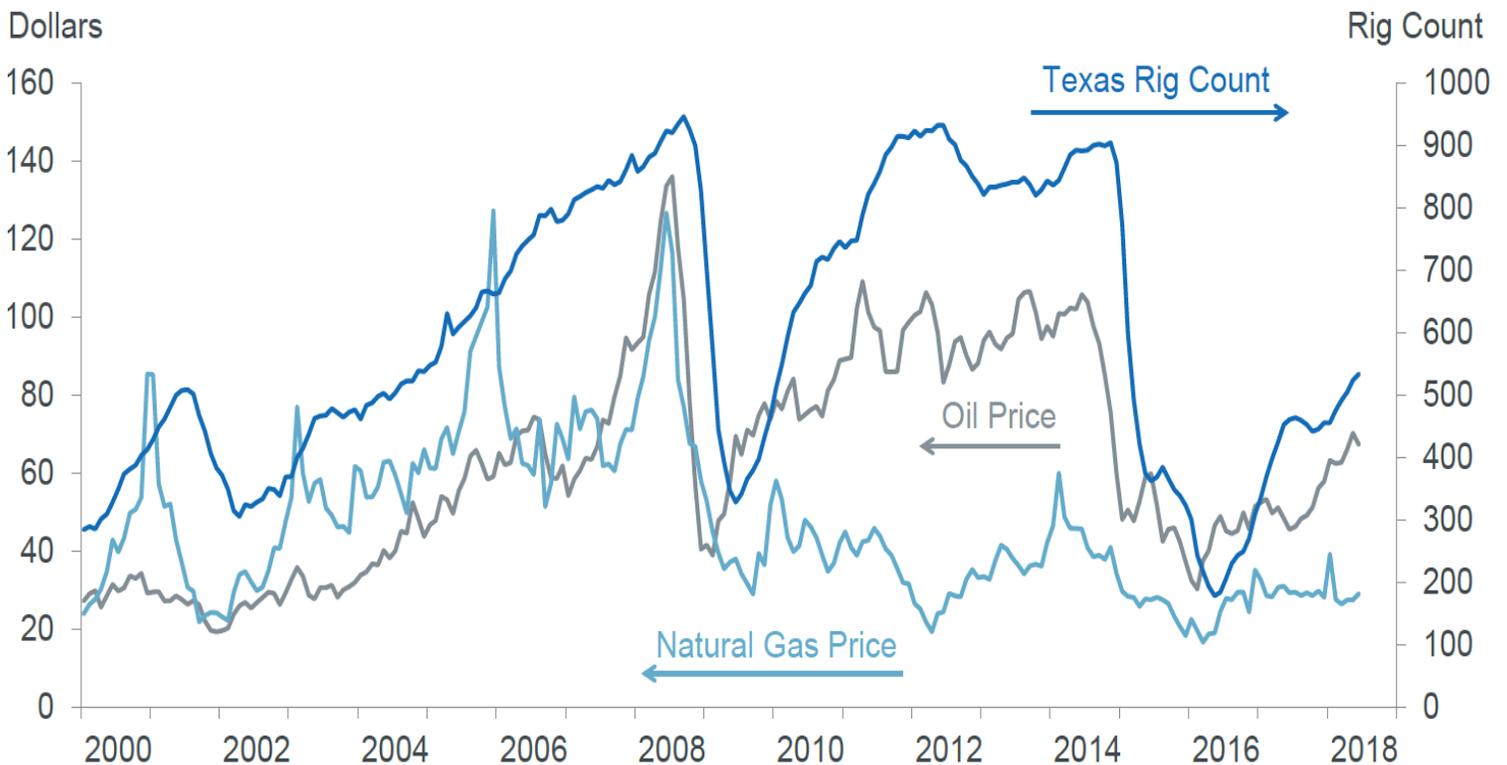


Source: Texas Comptroller of Public Accounts

OIL AND NATURAL GAS

“The average **West Texas intermediate crude oil spot price rose to \$69.98 per barrel, up 44.4 percent YOY**, as the United States renewed sanctions on Iranian oil. Prices cooled later in the month after Saudi Arabia and Russia agreed to relax OPEC production cuts after more than a year of compliance. The number of **active rigs in Texas jumped to 524**, the most since the oil downturn in 2015, while crude oil production surpassed two million barrels per day. **Insufficient pipeline capacity** out of the Permian Basin hindered additional growth and could force producers to slow drilling activity in coming months. An excess of natural gas byproducts from oil drilling contributed to pipeline bottlenecks. The Henry Hub **natural gas spot price held at \$2.8 per million BTU (British thermal units), down 11.1 percent YOY**, and could drop further as producers rush to free energy transportation capacity.” – May Summary - Outlook for the Texas Economy - Real Estate Center – Texas A&M University

Rig Count Reaches Three-Year High



NOTES: Oil price is dollars per barrel. Natural gas price is dollars per million Btu, multiplied by 10. Data through June 2018.
 SOURCES: Wall Street Journal; Baker Hughes; U.S. Energy Information Administration; Haver Analytics.

Provided by Federal Reserve of Dallas – Texas Economy – July 2018

IN-DEPTH – TEXAS EXPORTS AND IMPORTS

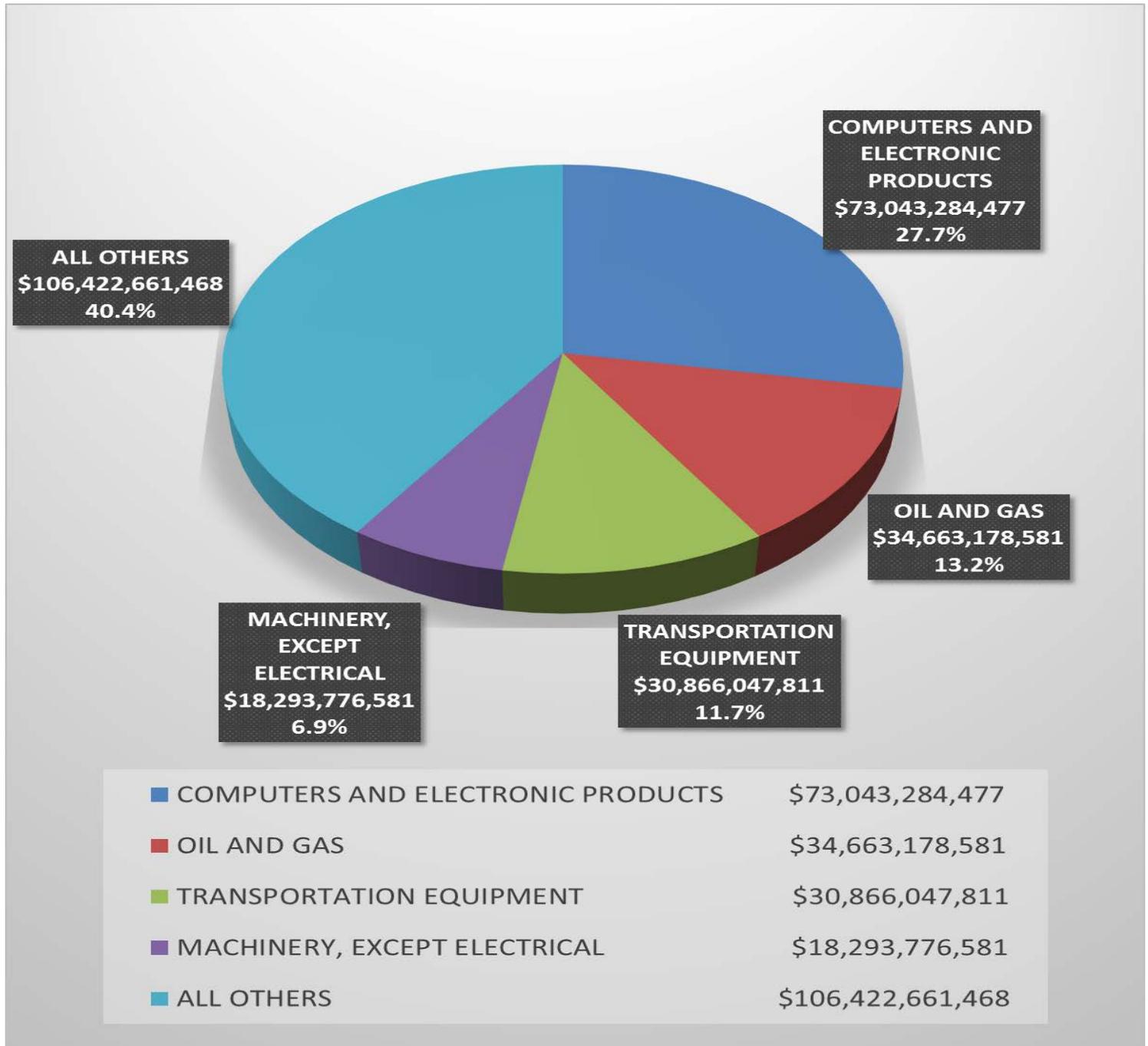
TOP 25 TEXAS IMPORTERS

COUNTRY	2015	2016	2017
Mexico	84,016,598,986	81,006,685,607	89,832,852,240
China	40,979,689,541	36,644,396,778	42,699,219,221
Canada	15,953,876,546	15,228,385,682	18,275,153,924
South Korea	10,330,201,469	7,229,402,053	9,075,924,952
Saudi Arabia	7,643,941,117	6,308,575,270	7,301,851,464
Germany	8,531,530,263	6,724,497,164	7,009,621,238
Japan	6,353,858,071	4,929,198,482	6,432,018,322
Malaysia	3,511,875,464	5,277,880,404	5,601,097,764
Brazil	4,345,787,741	4,052,946,129	5,217,522,084
Viet Nam	5,094,009,914	5,823,546,804	4,929,966,123
Venezuela	7,510,977,225	4,855,194,820	4,729,181,228
Iraq	1,598,823,077	2,241,761,645	4,567,953,196
Thailand	2,929,716,991	3,350,899,579	4,190,904,766
United Kingdom	4,770,969,688	3,614,373,696	4,074,439,006
Italy	2,920,753,080	2,967,848,849	3,566,513,702
India	3,330,999,352	2,390,504,583	3,374,315,628
France	3,321,617,831	2,851,234,118	3,155,442,202
Ireland	1,610,762,547	2,066,929,668	2,909,224,983
Taiwan	2,356,604,564	2,331,992,169	2,801,586,132
Russian Federation	3,473,052,942	2,589,869,427	2,777,593,548
Colombia	2,413,305,599	2,387,212,485	2,530,834,207
Spain	1,292,307,203	1,278,811,765	1,841,627,551
Netherlands	1,791,872,577	1,322,941,986	1,824,748,953
Belgium	1,296,502,351	1,060,579,243	1,389,815,533
Israel	1,103,800,328	965,234,467	1,322,837,575

Source: Foreign Trade Division, U.S. Census Bureau. Presented by the Office of Trade and Economic Analysis (OTEA), Industry and Analysis, International Trade Administration, U.S. Department of Commerce.

IN-DEPTH – TEXAS EXPORTS AND IMPORTS

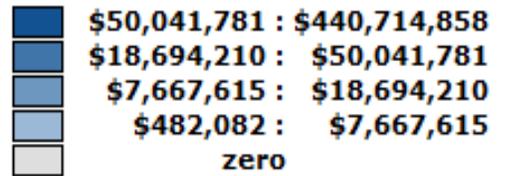
MAJOR CATEGORIES OF PRODUCTS IMPORTED TO TEXAS



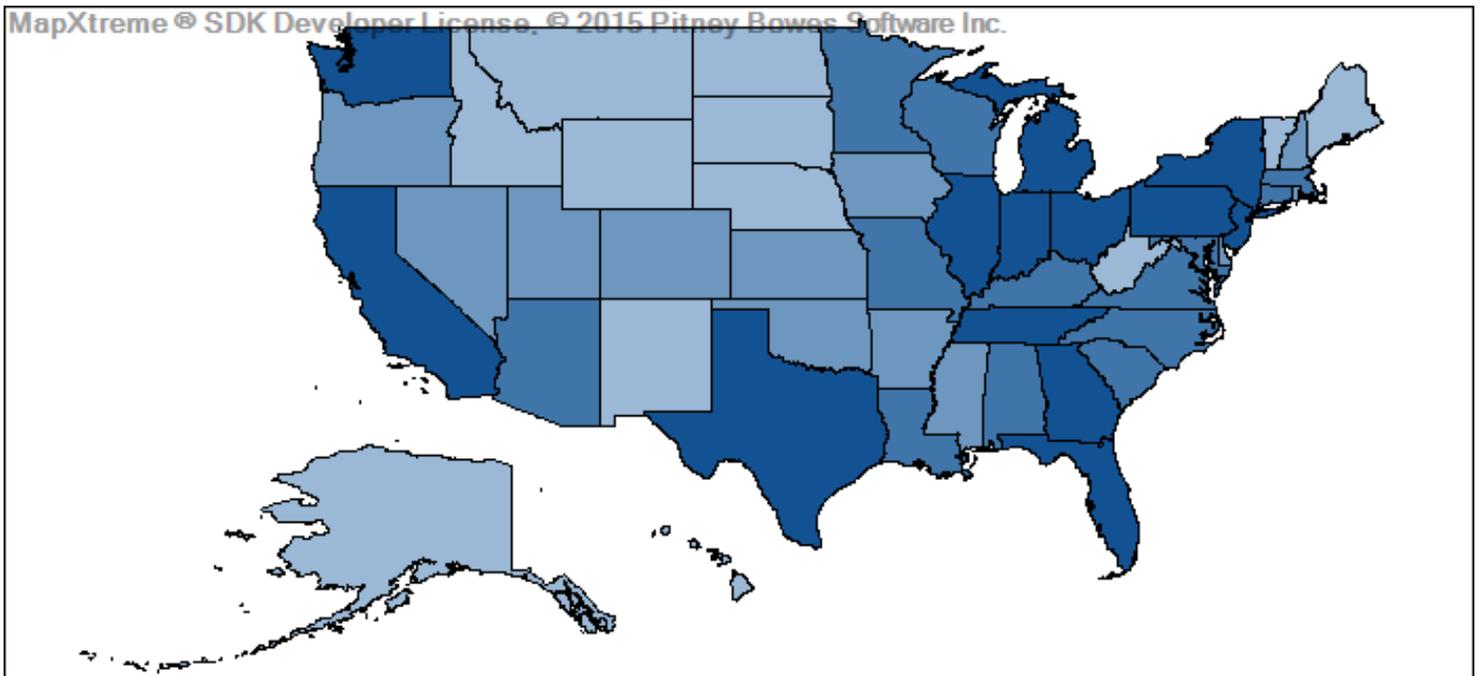
Source: Foreign Trade Division, U.S. Census Bureau. Presented by the Office of Trade and Economic Analysis (OTEA), Industry and Analysis, International Trade Administration, U.S. Department of Commerce.

IN-DEPTH – TEXAS EXPORTS AND IMPORTS

2017 Imports of NAICS .TOTAL



STATES THAT IMPORT OVER \$50 BILLION OF MERCHANDISE



STATE	2015	2016	2017
California	408,247,063,787	410,182,754,436	440,714,857,157
Texas	252,111,067,041	229,294,257,001	263,288,948,918
Michigan	124,223,613,148	134,946,978,072	140,273,573,249
Illinois	121,292,727,487	121,529,416,487	135,994,870,946
New York	133,091,063,146	130,072,195,891	126,930,495,205
New Jersey	119,571,470,381	108,133,134,626	112,666,419,609
Georgia	88,692,314,544	86,185,412,359	91,412,574,593
Pennsylvania	79,755,833,409	77,163,821,321	83,312,865,833
Tennessee	76,979,527,383	75,285,035,074	79,010,259,979
Florida	73,409,781,607	73,625,970,549	75,382,049,312
Ohio	68,910,877,351	64,263,908,511	67,618,425,070
Indiana	49,076,753,930	49,536,709,616	54,566,765,280
Washington	51,135,515,224	46,997,334,691	50,041,781,418

In 2017, total United States imports were \$2,342,905,114,674.

Source: Foreign Trade Division, U.S. Census Bureau. Presented by the Office of Trade and Economic Analysis (OTEA), Industry and Analysis, International Trade Administration, U.S. Department of Commerce.

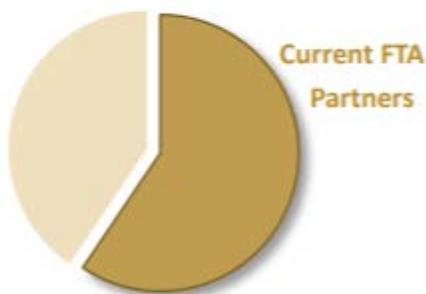
IN-DEPTH – TEXAS EXPORTS AND IMPORTS

FREE TRADE AGREEMENT EXPORTS FROM TEXAS

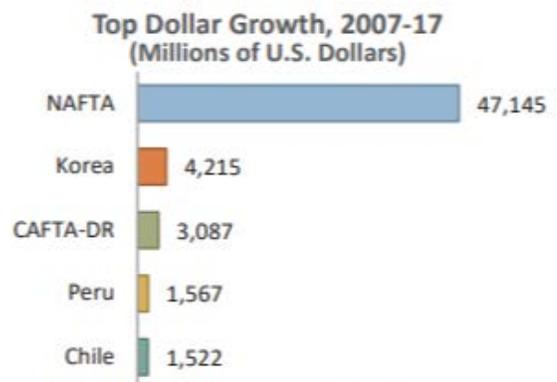
Free Trade Agreements (FTA)

- The U.S. currently has 14 free trade agreements in force with 20 countries.
- Texas’s exports to U.S. FTA partners totaled \$157 billion in 2017.

In 2017, exports to FTA markets accounted for **59%** of Texas exports



Since 2007, exports from Texas to FTA markets have grown by **65%**

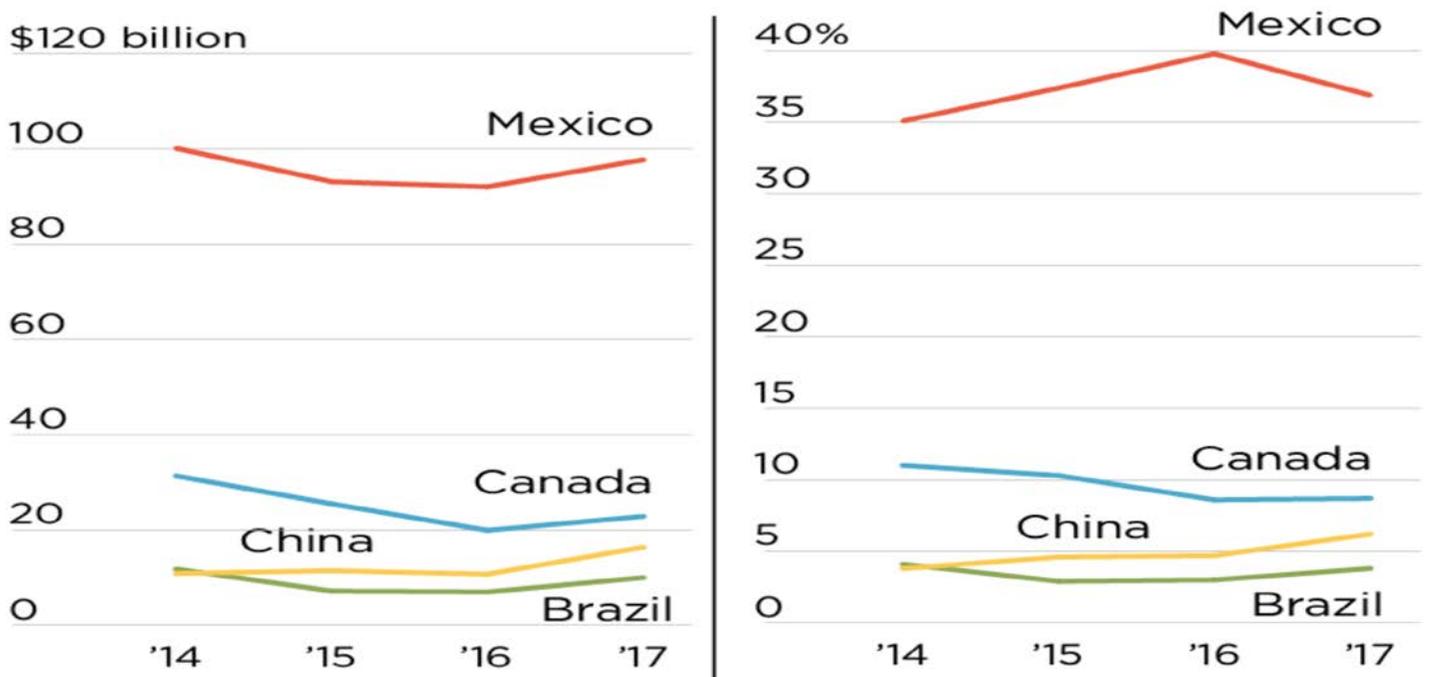


Sources include resources from the U.S. Department of Commerce’s International Trade Administration, Bureau of the Census, and Bureau of Economic Analysis. Presented by the Office of Trade and Economic Analysis (OTEA), International Trade Administration, U.S. Department of Commerce.

IN-DEPTH – TEXAS IMPORTS AND EXPORTS

VALUE AND PERCENTAGE OF TEXAS EXPORTS TO STATE’S TOP FOUR TRADING PARTNERS

“Mexico and Canada received 45 percent of this year's exports from Texas, remaining the state's primary trade partners. This trilateral relationship highlights the importance of a successful NAFTA renegotiation. China is the state's next largest trade partner, receiving 7 percent of exports from Texas. Escalating trade tensions and growing uncertainty present a serious headwind to the Texas economy.” - Dallas Fed – Texas Economy – July 2018



Source: United States Census Bureau. Presented by Dallas Morning News

IN-DEPTH – TEXAS IMPORTS AND EXPORTS

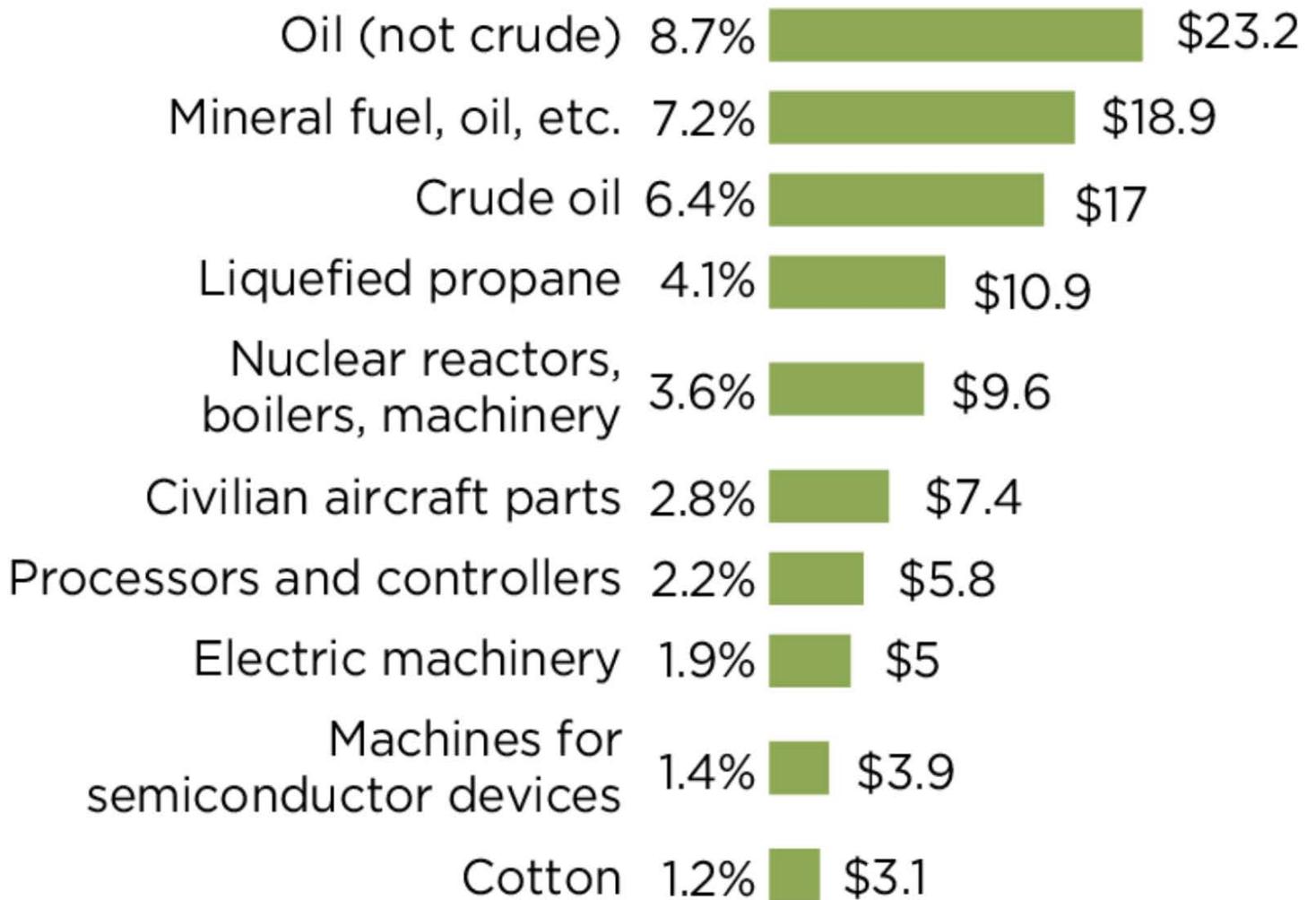
TOP 25 TEXAS EXPORTERS

COUNTRY	2015 (millions)	2016 (millions)	2017 (millions)	% Share of 2017
Mexico	93,101	92,039	97,701	36.9%
Canada	25,509	19,966	22,898	8.7%
China	11,502	10,765	16,419	6.2%
Brazil	7,221	7,034	10,035	3.8%
Korea, South	8,094	6,888	9,723	3.7%
Japan	5,072	6,190	8,863	3.4%
Netherlands	6,732	6,373	7,026	2.7%
Singapore	4,914	4,843	5,838	2.2%
United Kingdom	4,279	3,866	5,662	2.1%
Taiwan	3,271	4,299	4,705	1.8%
Germany	3,290	3,413	3,999	1.5%
Colombia	5,843	3,834	3,817	1.4%
Belgium	4,592	3,657	3,637	1.4%
India	1,757	2,100	3,333	1.3%
France	2,599	2,463	3,180	1.2%
Chile	3,010	2,718	2,990	1.1%
Peru	2,360	2,242	2,864	1.1%
Hong Kong	2,075	2,371	2,505	0.9%
Argentina	2,679	2,275	2,390	0.9%
Saudi Arabia	3,334	2,785	2,146	0.8%
United Arab Emirates	2,412	2,072	2,113	0.8%
Italy	1,609	1,387	2,077	0.8%
Venezuela	3,945	2,245	2,045	0.8%
Ecuador	2,712	1,768	2,037	0.8%
Australia	1,913	1,480	1,851	0.7%

Source of Data: United States Census Bureau

IN-DEPTH – TEXAS IMPORTS AND EXPORTS

TOP 2017 EXPORTS AND PERCENTAGE SHARE OF THE TEXAS TOTAL

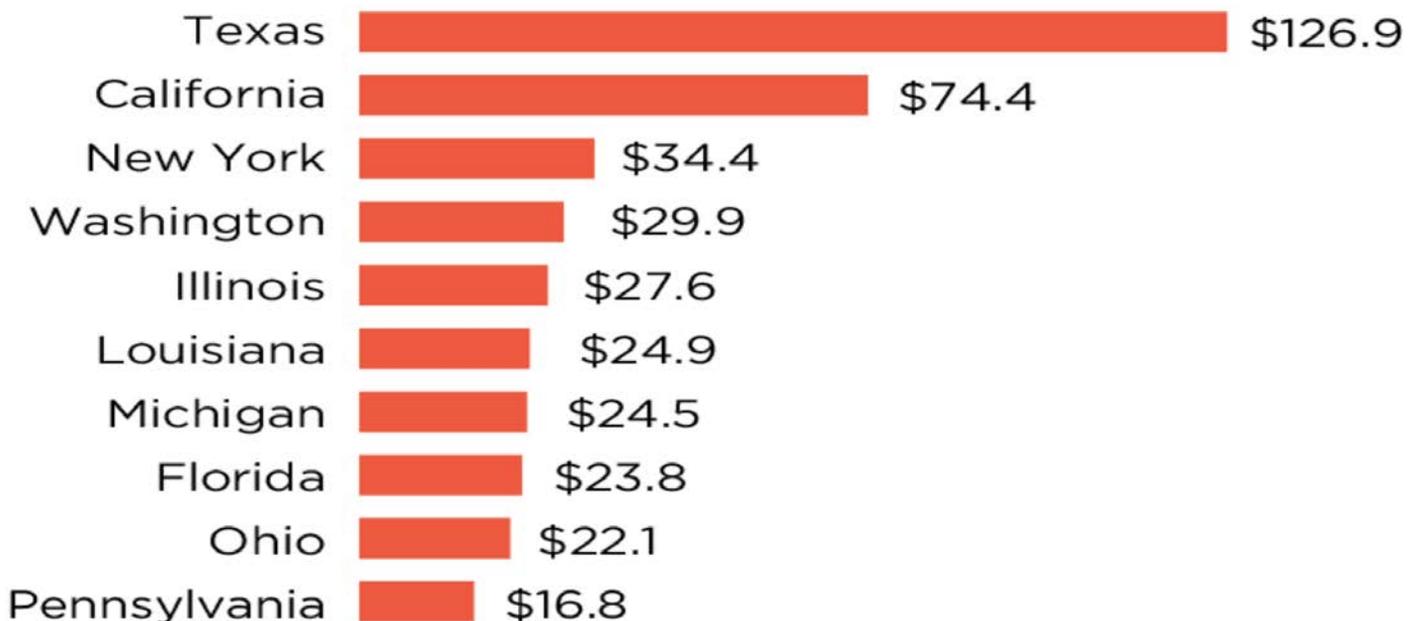


Source: United States Census Bureau. Presented by Dallas Morning News

IN-DEPTH – TEXAS IMPORTS AND EXPORTS

TOP TEN STATE EXPORTERS – YTD MAY 2018 EXPORTS (BILLIONS)

"Members of the Texas business community, across the political spectrum, are worried about the Trump administration's trade war. And looking at the data, it's not hard to understand why: Texas has been the top exporting state so far in 2018, and it's not particularly close." – Aidan Quigley, staff writer, The Dallas Morning News



Source: United States Census Bureau. Presented by Dallas Morning News

IN-DEPTH – TEXAS EXPORTS AND IMPORTS

TEXAS METROPOLITAN EXPORTS

Texas's Metropolitan Exports

- Houston-The Woodlands-Sugar Land is the 2nd largest metro area reporting exports nationwide.

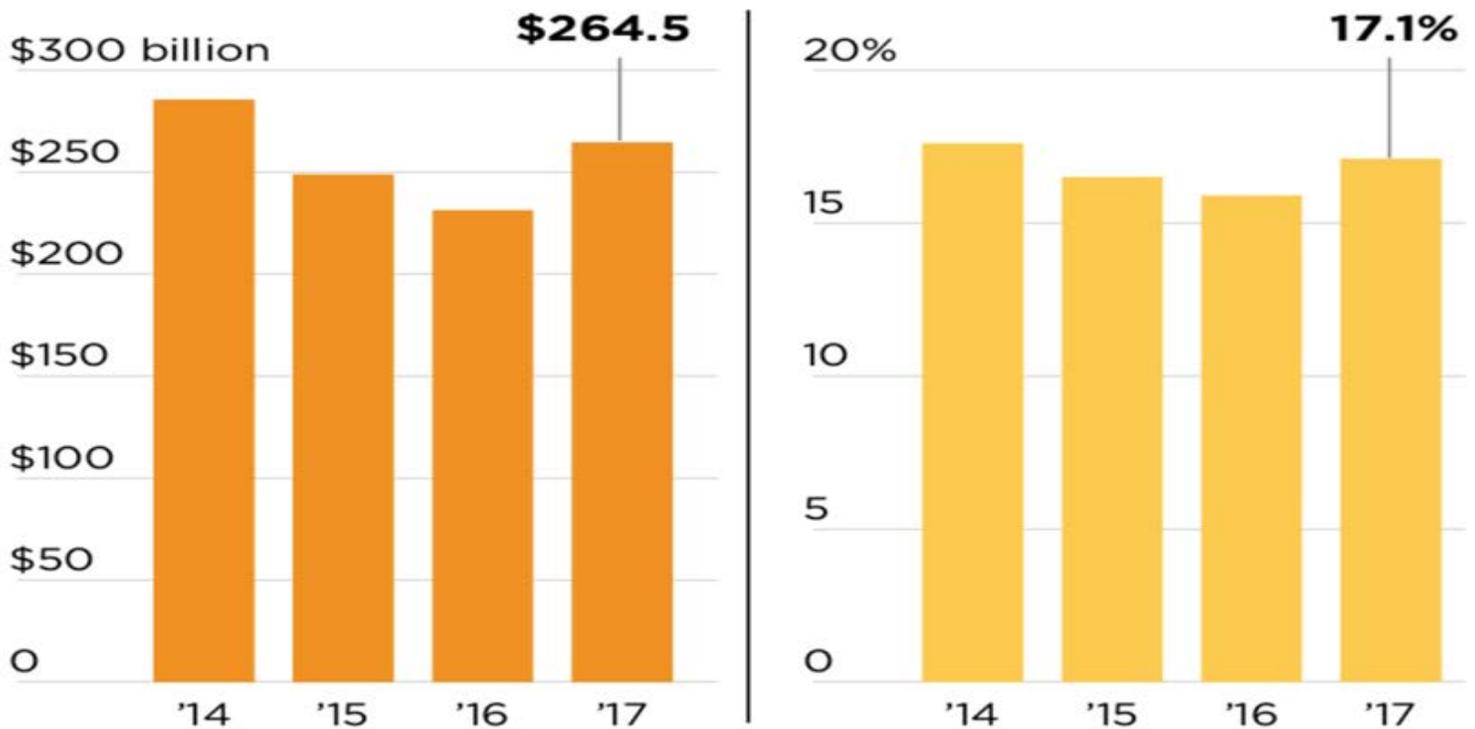
Metro Area	2016 Goods Export Value	Share of State Exports
Houston-The Woodlands-Sugar Land	\$84.1 billion	41.50%
Dallas-Fort Worth-Arlington	\$27.2 billion	13.40%
El Paso	\$26.5 billion	13.10%
Austin-Round Rock	\$10.7 billion	5.30%
Beaumont-Port Arthur	\$9.7 billion	4.80%
Laredo	\$8.8 billion	4.30%
Corpus Christi	\$8.7 billion	4.30%
San Antonio-New Braunfels	\$5.6 billion	2.80%
McAllen-Edinburg-Mission	\$5.2 billion	2.60%

Sources include resources from the U.S. Department of Commerce's International Trade Administration, Bureau of the Census, and Bureau of Economic Analysis. Presented by the Office of Trade and Economic Analysis (OTEA), International Trade Administration, U.S. Department of Commerce.

IN-DEPTH – TEXAS IMPORTS AND EXPORTS

TEXAS EXPORTS AND PERCENTAGE OF U.S. TOTAL

"Texas is the nation's No. 1 exporting state, totaling \$264 billion, and our economic success largely depends on trade with our international partners. Anything that negatively impacts Texas will severely hurt the U.S. economy, since we contribute \$1.5 trillion to the national GDP." – Dale Petroskey, president and CEO, Dallas Regional Chamber – Dallas Morning News.



Source: United States Census Bureau. Presented by Dallas Morning News

IN-DEPTH – TEXAS IMPORTS AND EXPORTS

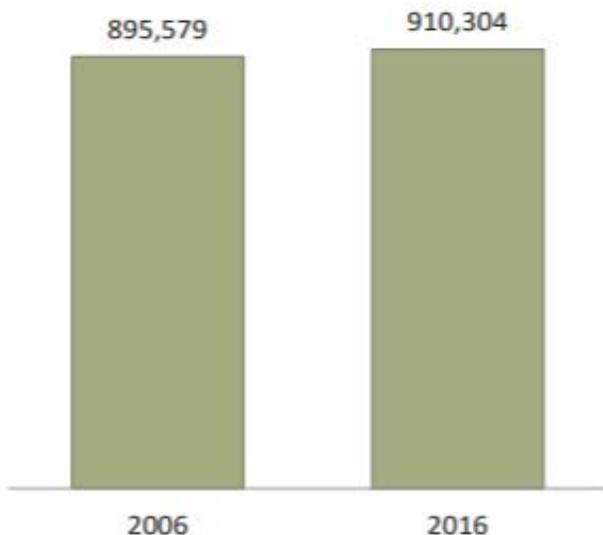
IMPACT OF TEXAS EXPORTS ON U.S. JOBS

“Despite favorable economic data, the **Texas Consumer Confidence Index** dipped for the third consecutive month amid rising trade tensions and NAFTA uncertainty. International commerce is a critical component to the Texas economy, supporting over 900,000 jobs in primarily higher-wage manufacturing subsectors.” - Real Estate Center – Outlook for the Texas Economy – July 2018

Exports Support Jobs

- Nationally, U.S. jobs supported by exports reached an estimated 10.7 million in 2016, up 1.2 million from 2006.

Jobs Supported by Texas Goods Exports
Up by 15 Thousand Jobs Over Past Ten Years



910,304

U.S. jobs supported
by goods exports
from Texas in 2016

95% of these jobs were
supported by manufactured
goods exports

Sources include resources from the U.S. Department of Commerce's International Trade Administration, Bureau of the Census, and Bureau of Economic Analysis. Presented by the Office of Trade and Economic Analysis (OTE), International Trade Administration, U.S. Department of Commerce.

IN-DEPTH TOPICS COVERED IN PREVIOUS ISSUES – SEE AUDITOR WEBPAGE

- Alibaba 3rd Qtr 2017
- Bitcoin 4th Qtr 2016
- Cashless Society 4th Qtr 2017
- Facial Recognition 1st Qtr 2018
- Labor Participation Rate 4th Qtr 2015
- Money Market Fund Reform – New Rules 3rd Qtr 2016
- Negative Interest Rate Policy (NIRP) 2nd Qtr 2016
- New Silk Road 2nd Qtr 2017
- Quantitative Easing 1st Qtr 2016
- Texas Imports and Exports 2nd Qtr 2018

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