

# EXECUTIVE SUMMARY

CITY OF LAS CRUCES ECONOMIC OUTLOOK 3RD QUARTER 2018



City of Las Cruces had mixed economic signals in the 3rd quarter of 2018.



## NOT SEASONALLY ADJUSTED UNEMPLOYMENT RATE IN SEPTEMBER 2018 COMPARISON

City of Las Cruces	New Mexico
4.9%	4.6%

United States  
3.6%

City of Las Cruces was higher in unemployment in comparison to New Mexico (+0.3%) and the United States (+ 1.3%).

## TOTAL NONFARM PAYROLL EMPLOYMENT FOR LAS CRUCES METROPOLITAN STATISTICAL AREA

September 2018	September 2017
70,500 payroll jobs	70,400 payroll jobs



An increase of 100 payroll jobs



## SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) CASES BY DOÑA ANA ADMINISTRATIVE OFFICES

September 2018	August 2018
27,419 cases	27,465 cases

A monthly decrease of 46 less cases



## NEW BUSINESS REGISTRATION

September 2018	September 2017
45	54

A decrease of 9 New Business Registration



## BUSINESS REGISTRATION RENEWALS

September 2018	September 2017
176	246

A decrease of 70 Business Registration Renewals

## MEDIAN LISTING HOME PRICES FOR THE CITY OF LAS CRUCES



September 2018 Zillow.com	\$198,900
September 2018 Realtor.com	\$191,000
August 2018 for Trulia.com	\$183,360

The previous month average appreciation in median listing housing prices for the three websites total

QUARTER III OF 2018  
OCTOBER 2018  
VOLUME I



# LAS CRUCES ECONOMIC OUTLOOK

ECONOMIC DEVELOPMENT DEPARTMENT

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## IN THIS ISSUE

- The Bureau of Economic Analysis released the Las Cruces Gross Metropolitan Product (GMP) data on September 18, 2018. The data from 2001 to 2016 was revised for Las Cruces MSA, New Mexico, and the U.S.
- The Bureau of Labor Statistics Local Area Unemployment statistics have not been revised since their adjustments on April 20, 2018.
- U.S. Census annual data remains constant from the previous issue given that the 2017 ACS data expected release date is January 2019.
- Las Cruces International Airport data remains constant from the previous issue given that the data is yet to be released on the next quarter.

## EXECUTIVE SUMMARY

The 3<sup>rd</sup> quarter 2018 economic outlook of the City of Las Cruces indicates mixed economic signals. Unemployment rate for the City of Las Cruces is higher than the State of New Mexico and the Nation. The September 2018 preliminary figures of the not-seasonally adjusted unemployment rate for the City of Las Cruces is 4.9%, while the State indicates a 4.6% for the same statistic. In comparison, the Nation has 3.6% for the same measurement. The number of payroll jobs in Las Cruces metropolitan area has increased from a year ago. The preliminary numbers on total non-farm payroll employment in Las Cruces metropolitan area for September 2018 indicate a total of 70,500 payroll jobs. In comparison to the September 2017 figures on the same statistic at 70,400 payroll jobs it represents a slight increase of roughly 100 jobs. The number of Supplemental Nutrition Assistance Program (SNAP) cases by Doña Ana administrative offices was 27, 419 on September 2018, which is 46 less cases than August 2018.

Less new businesses registrations and less business permit renewals. On September 2018, there were 45 new business registrations, which is lower than the number of business registrations for September 2017 at 54. The total number of new business registrations for the first 9 months of 2018 is 475, which is higher than the first 9 months of 2017 at 453. Business registration renewals for September 2018 were 176, which is lower than the September 2017 figures at 246.

Median listing home prices have been increasing since June 2017. The median listing home prices are listed according to three websites: \$198,900, \$191,500, and \$183,360 for Zillow.com, Realtor.com, and Trulia.com respectively in September 2018. This represents an average change in listing prices from its previous month of +\$5,612 for the three websites.

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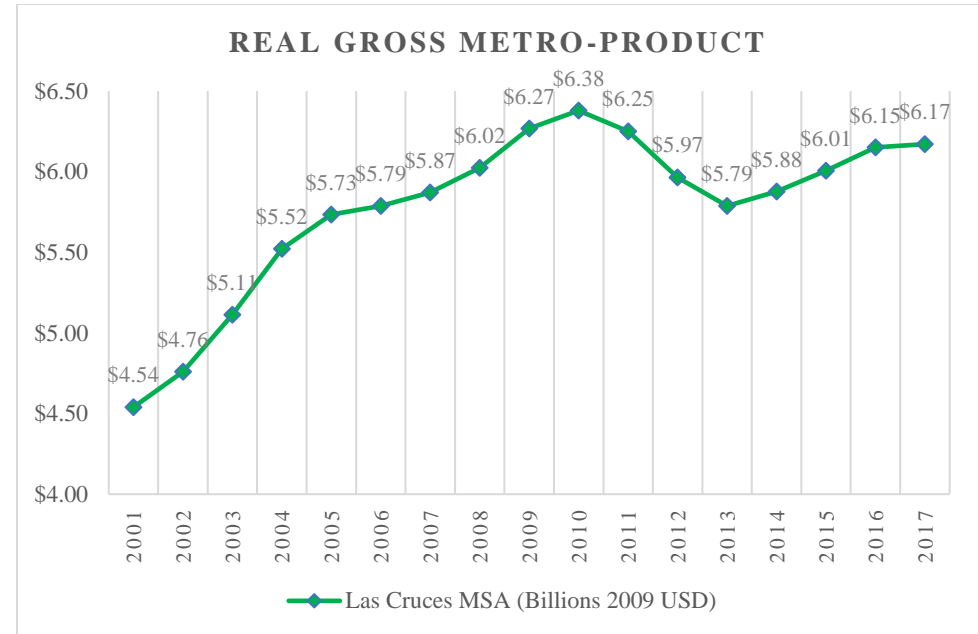
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# GROSS METROPOLITAN PRODUCT

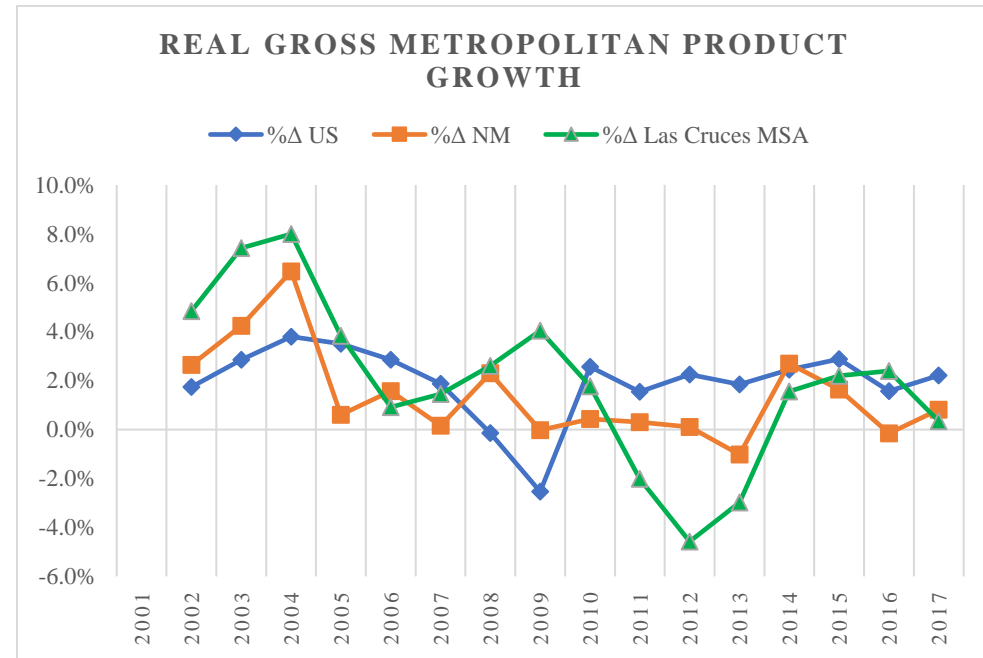
## HIGHLIGHTS:

The BEA reports that Gross Metropolitan Product (GMP), which is the value of all goods and services produced within Las Cruces metropolitan area grew by only 0.34% from 2016 to 2017. The GMP figure grew from \$6,150 million in 2016 to \$6,170 million in 2017 in chained 2009 dollars.

The metropolitan area is growing at a smaller rate than the state or the nation. Las Cruces, MSA grew from 2016 to 2017 by 0.34%, in comparison, the nation grew by 2.22% from 2016 to 2017, whereas the state of New Mexico grew by 0.15 percent for the same period.



Source: U.S. Bureau of Economic Analysis



Source: U.S. Bureau of Economic Analysis

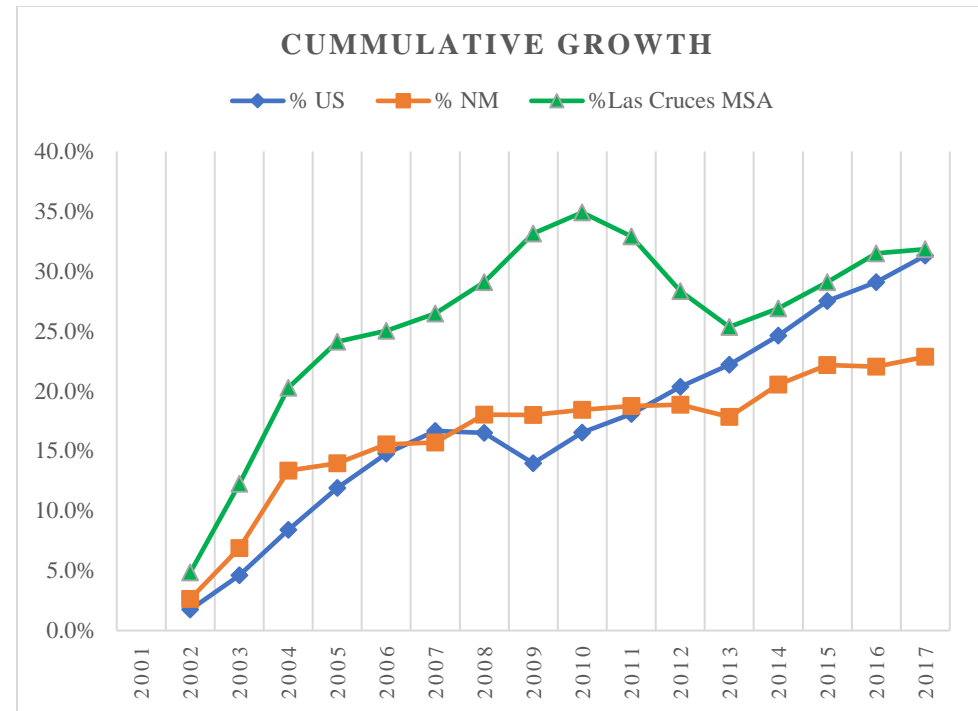
2018 GMP data expected release date: September 2019

# GROSS METROPOLITAN PRODUCT

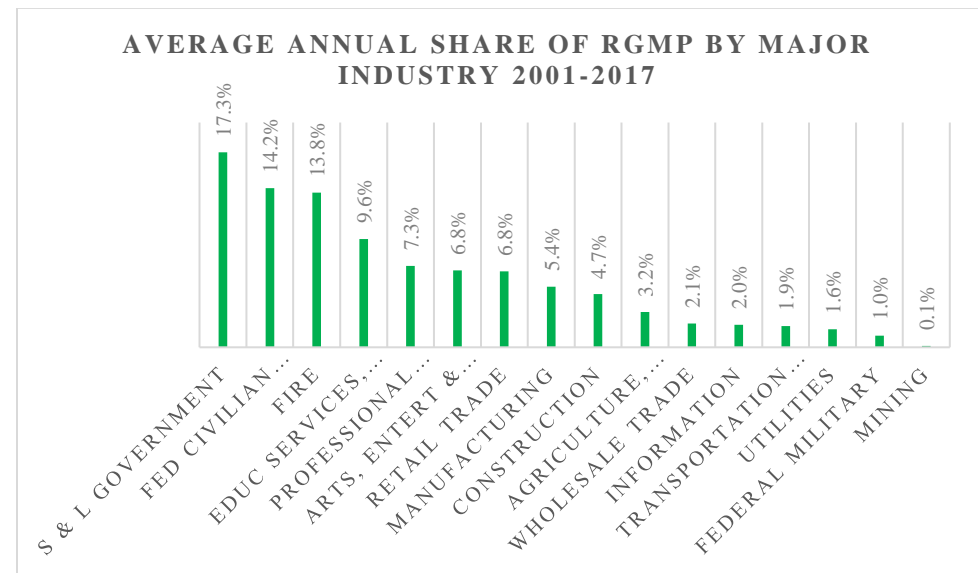
## HIGHLIGHTS:

Nevertheless, compared to the nation and the state of New Mexico, Las Cruces MSA has experienced strong economic output growth over the past years. This is evidenced by the real cumulative growth, which has been higher than the nation and the state at least since 2001.

In terms of industry's value of goods and services produced within the region, the main driver of the GMP has been state and local government with 17.3% of the average annual share of GMP since 2001. The next industry is federal civilian government, whose production accounts for roughly 14.2% of the average annual share of RGMP since 2001. As it can be observed, the metro-area is highly dependent on the public sector for its output.



Source: U.S. Bureau of Economic Analysis



Source: U.S. Bureau of Economic Analysis

# UNEMPLOYMENT & LABOR FORCE

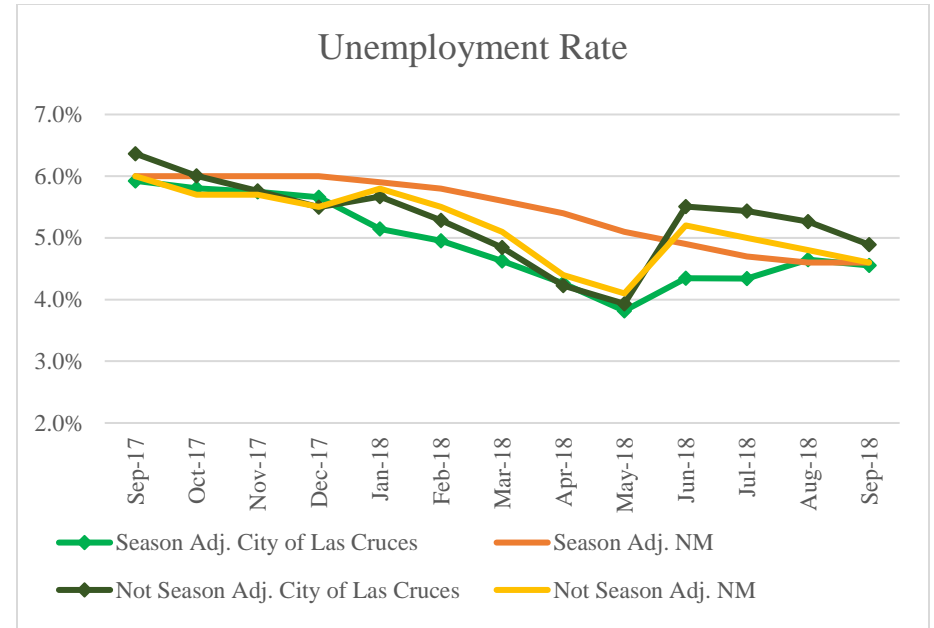
## HIGHLIGHTS:

The unemployment rate data for the City of Las Cruces is collected from the Local Area Unemployment program of the BLS for cities and towns above 25,000 population. The not-seasonally-adjusted preliminary unemployment rate for the City of Las Cruces on September 2018 was 4.9%, which is slightly above the State of New Mexico with a rate of 4.6%. This implies that the City is performing slightly worse than the State, in terms of unemployment rates the highest unemployment rate experienced in the City during the past 12 months was on September 2017 (one year ago), where the seasonally adjusted unemployment rate reached 6.3%. The seasonally adjusted unemployment rates were calculated using monthly seasonal indices.

The not seasonally adjusted unemployment rates are expected to be higher at certain parts of the year. The reason is because there are monthly seasonal fluctuations that affect employment trends in certain months more than others. For instance, students tend to join the labor force during the summer, which increases the unemployment rate.

The annual change in the unemployment rate indicates that although the City was not as affected as the State by the great recession, it is still behind the unemployment rate levels it had prior to the great recession.

October 2018 data expected release date: December 20, 2018



Source: U.S. Bureau of Labor Statistics



Source: U.S. Bureau of Labor Statistics



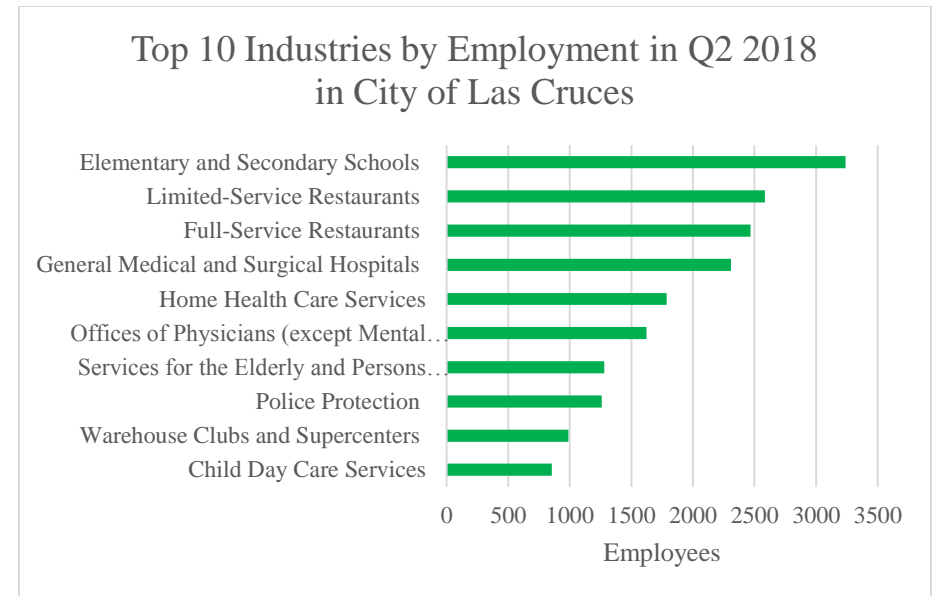
# UNEMPLOYMENT & LABOR FORCE

## HIGHLIGHTS:

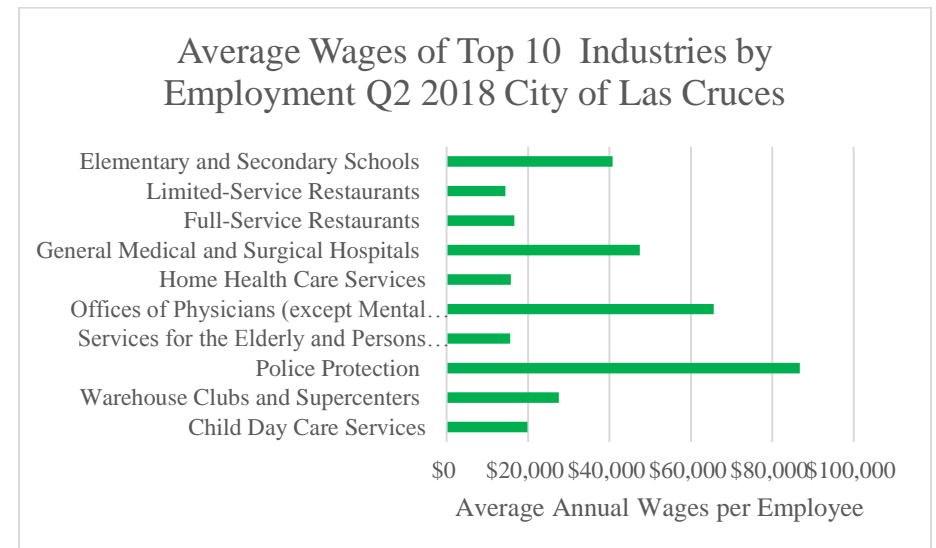
The top 10 industries with the largest number of employees in the City of Las Cruces by 6-digit NAICS codes for the 2<sup>nd</sup> quarter of 2018 are indicated in the first graph. Some of the industries with the largest number of employees in the City are Elementary and Secondary Schools, Limited-Service Restaurants, Full-Service Restaurants, General Medical and Surgical Hospitals, and Home Health Care Services, which collectively employed 12,385 in Q2 of 2018.

The second graph indicates the average annual wage paid in the 2<sup>nd</sup> quarter of 2018 to employees in the top 10 industries. The average annual wage paid to Elementary and Secondary Schools industry was \$40,747 in 2<sup>nd</sup> quarter of 2018. Limited and Full-Service Restaurants paid \$14,446 and \$16,654 per employee respectively in the 2<sup>nd</sup> quarter of 2018. It is important to notice that out of the 10 industries with the largest number of employees, only 4 industries pay annual wages above \$40,000. These industries are: Elementary and Secondary Schools, General Medical and Surgical Hospitals, Offices of Physicians (except Mental Health Specialists), and Police Protection (Federal, State, and Local).

Q3 2018 data expected release date: December 2018



Source: Jobs EQ



Source: Jobs EQ

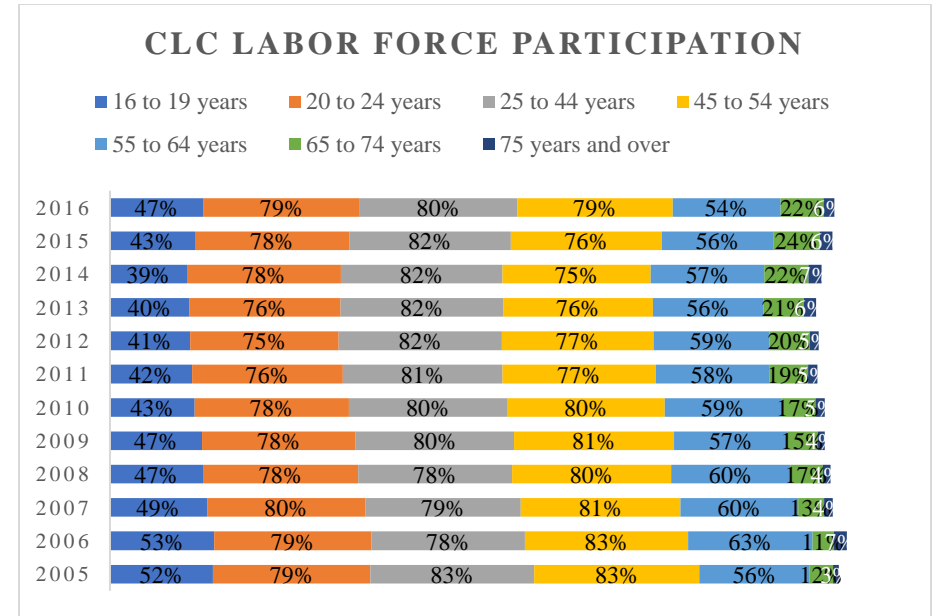
# UNEMPLOYMENT & LABOR FORCE

## HIGHLIGHTS:

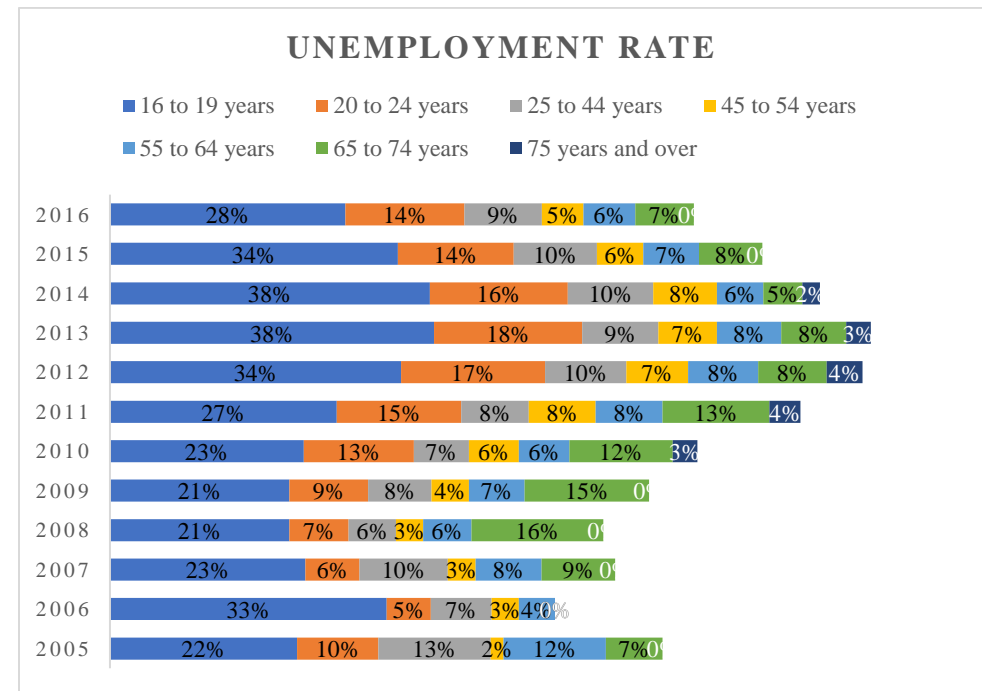
The 2016 labor force participation rate by age in the City of Las Cruces indicates that the age cohort with the largest participation in the labor force is the group ages 25 to 44 years with 80%. This statistic is closely followed by the age cohort 20 to 24 years and 45 to 54 years, with 79% each.

In terms of 2016 unemployment rates for the city, the age cohort with the largest unemployment rate is individuals in the age of 16 to 19 years with almost 28% unemployment rates. The cohort with the smallest unemployment rate (below the age of 65) is the 45 to 54 years cohort with 5% unemployment rate.

2017 ACS data expected release date: January 2019



Source: U.S. Census Bureau ACS 5 Year Estimates



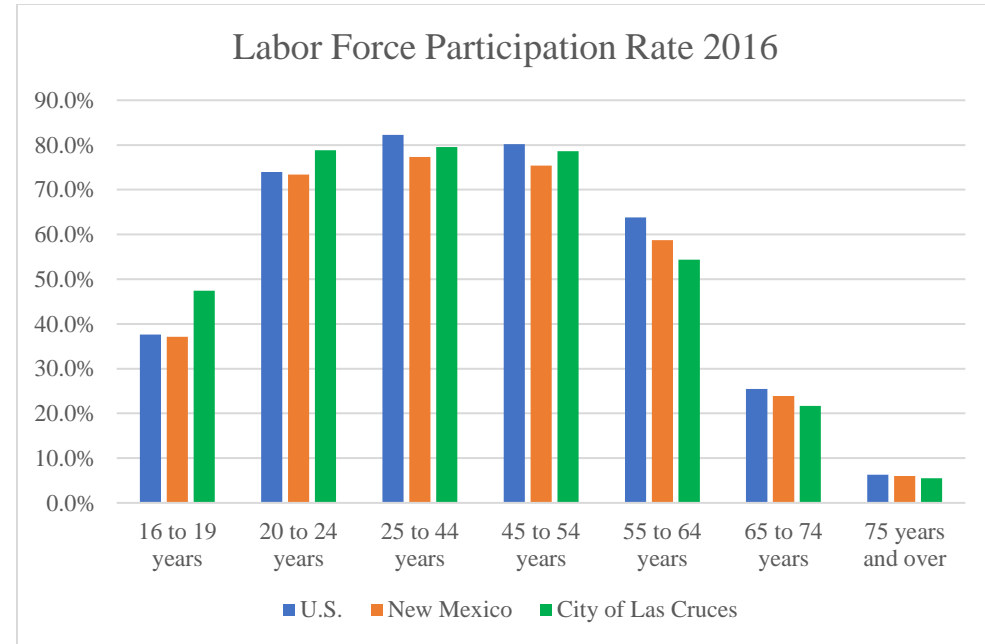
Source: U.S. Census Bureau ACS 5 Year Estimates

# UNEMPLOYMENT & LABOR FORCE

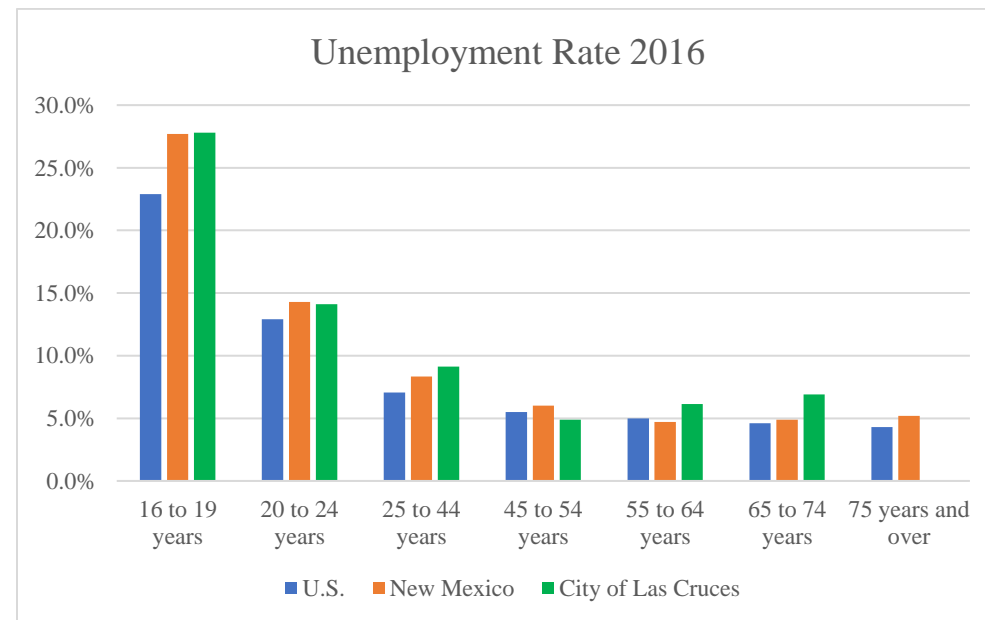
## HIGHLIGHTS:

In comparison to the Nation and State, the labor force participation rate of individuals ages 16 to 24 is higher in the City of Las Cruces. In the 16 to 19 years age cohort, the labor force participation in Las Cruces is almost 47%, whereas in the Nation it's close to 38 percent. However, the unemployment rate for the same cohort is much larger for the City of Las Cruces, than for the Nation.

In almost all age cohort instances the unemployment rate for the City exceeded the unemployment rate of the Nation. It is only in the age cohort of 45 to 54 years, where the City has an unemployment rate of 4.9% compared to 5.5% of the Nation.



Source: U.S. Census Bureau ACS 5 Year Estimates

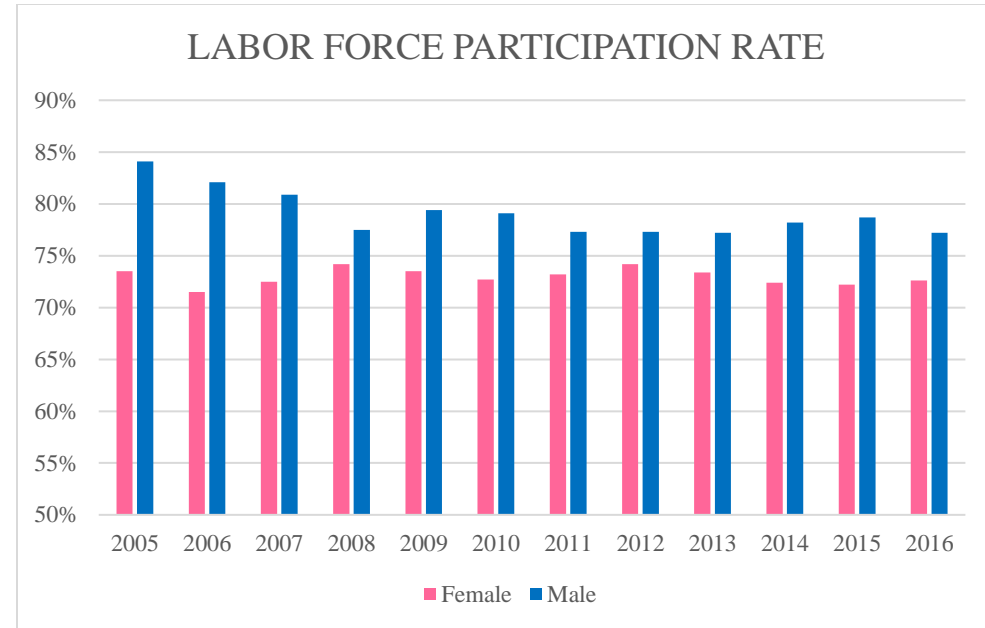


Source: U.S. Census Bureau ACS 5 Year Estimates

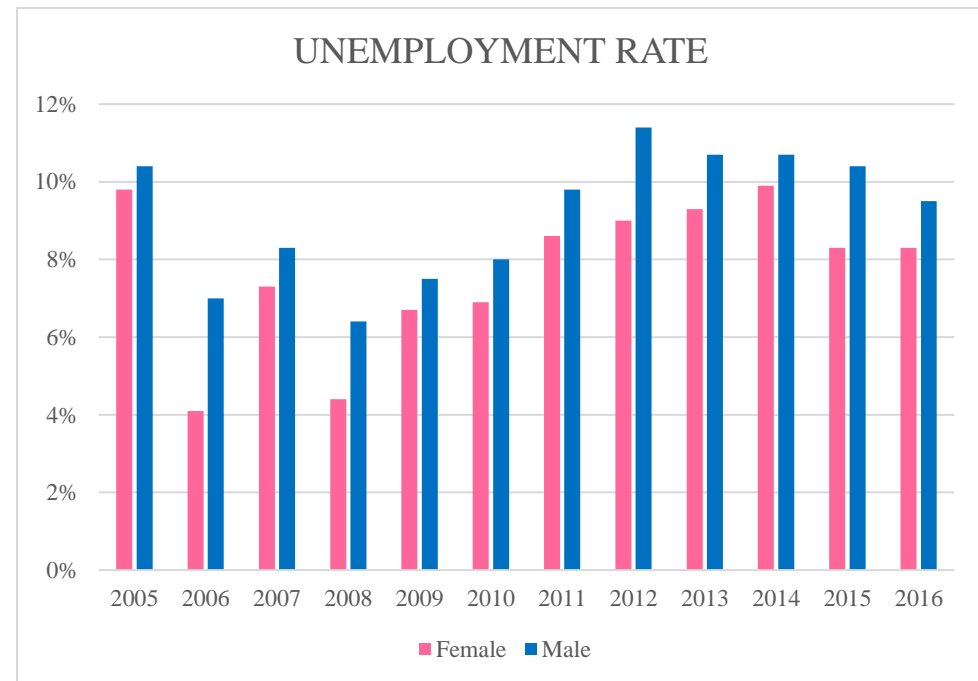
# UNEMPLOYMENT & LABOR FORCE

## HIGHLIGHTS:

The labor force participation rate by sex in the City of Las Cruces has remained relatively constant since 2005, since male labor force participation has always been larger than female labor force participation rate. In terms of unemployment, females have historically met lower unemployment rates than males.



Source: U.S. Census Bureau ACS 5 Year Estimates



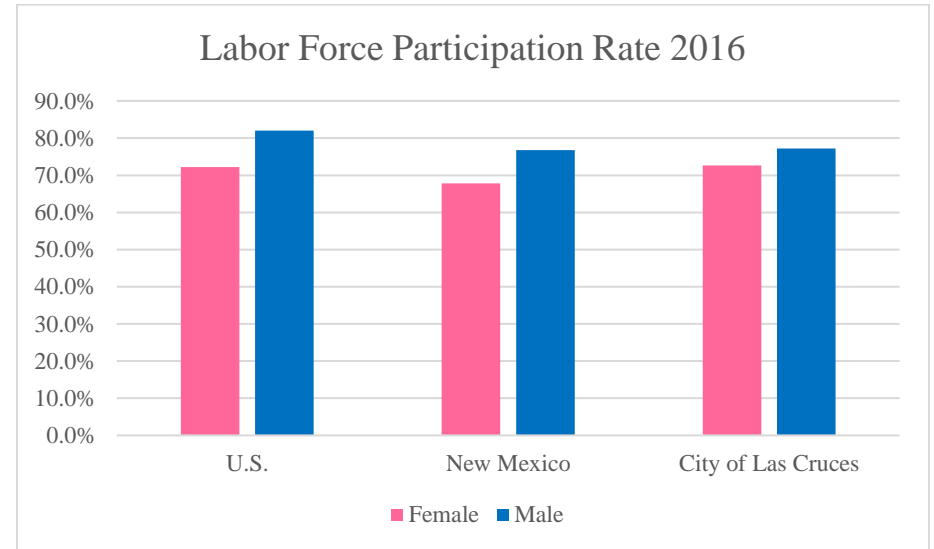
Source: U.S. Census Bureau ACS 5 Year Estimates

# UNEMPLOYMENT & LABOR FORCE

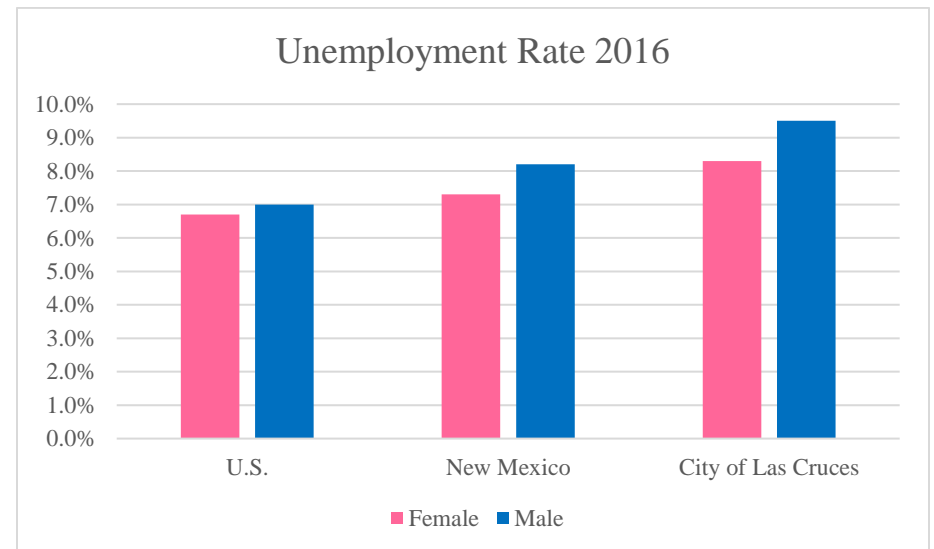
## HIGHLIGHTS:

In comparison to the State of New Mexico and to the United States, the City of Las Cruces is not much different in terms of labor force participation rates (LFPR). In 2016, the female LFPR was 72.6%, which is slightly above the Nation at 72.2 percent, and 4.8 percentage points above the State which has 67.8%.

However, in terms of the 2016 unemployment rate, females in the City of Las Cruces experienced close to 8.3% unemployment rates. This figure is larger than the State of New Mexico and the Nation with 7.3% and 6.7% respectively.



Source: U.S. Census Bureau ACS 5 Year Estimates



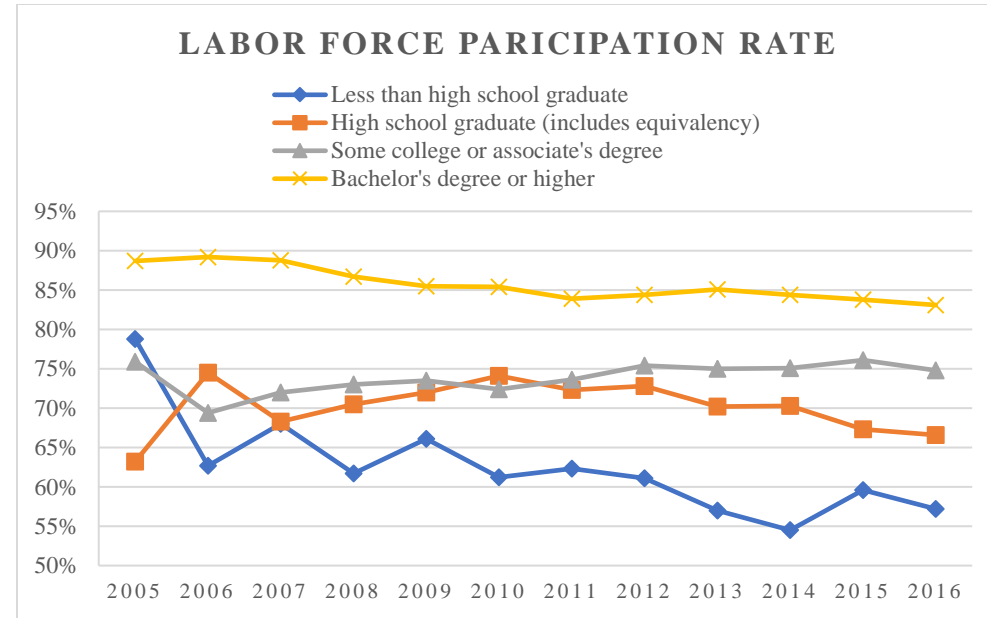
Source: U.S. Census Bureau ACS 5 Year Estimates

# UNEMPLOYMENT & LABOR FORCE

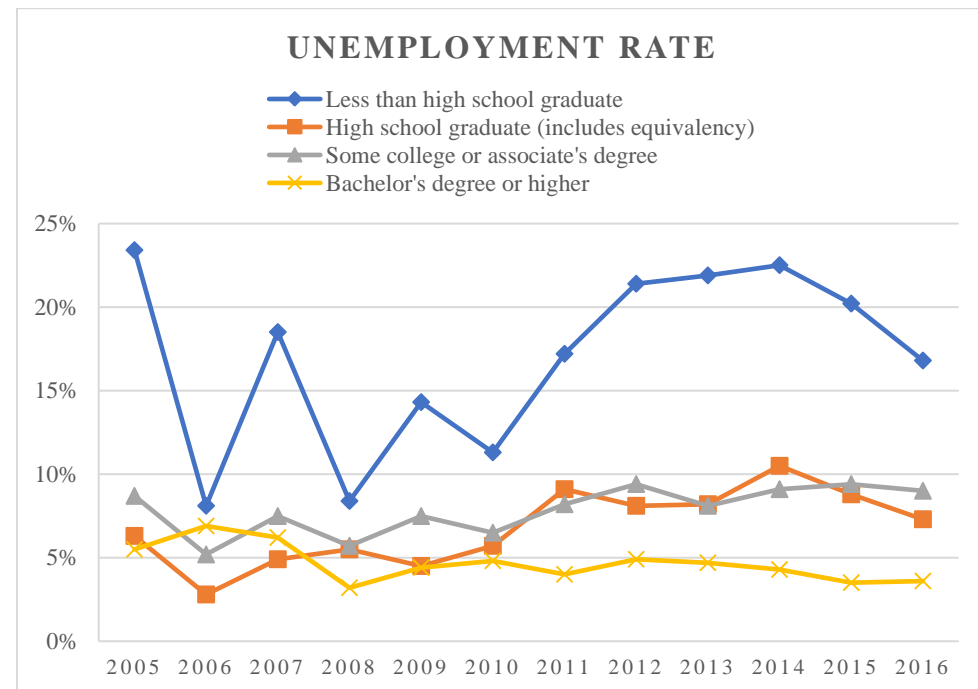
## HIGHLIGHTS:

The historical labor force participation rate by educational level in the City indicates that individuals with bachelor's degrees or higher tend to participate much more in the labor force than individuals who are high school graduates (or equivalent) only.

The unemployment rate figures by educational attainment in the City indicate that individuals with less than high school degrees do not only participate less in the labor force, but also face higher unemployment rates with higher volatilities. Individuals in the City with bachelor's degree or higher tend to have historical below 5 percent unemployment rates with higher stability.



Source: U.S. Census Bureau ACS 5 Year Estimates



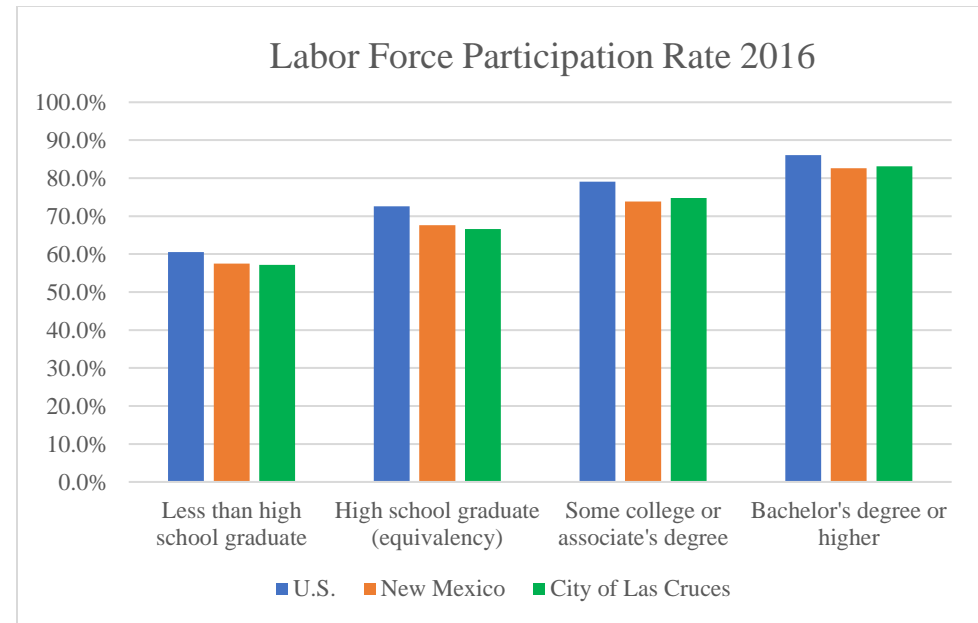
Source: U.S. Census Bureau ACS 5 Year Estimates

# UNEMPLOYMENT & LABOR FORCE

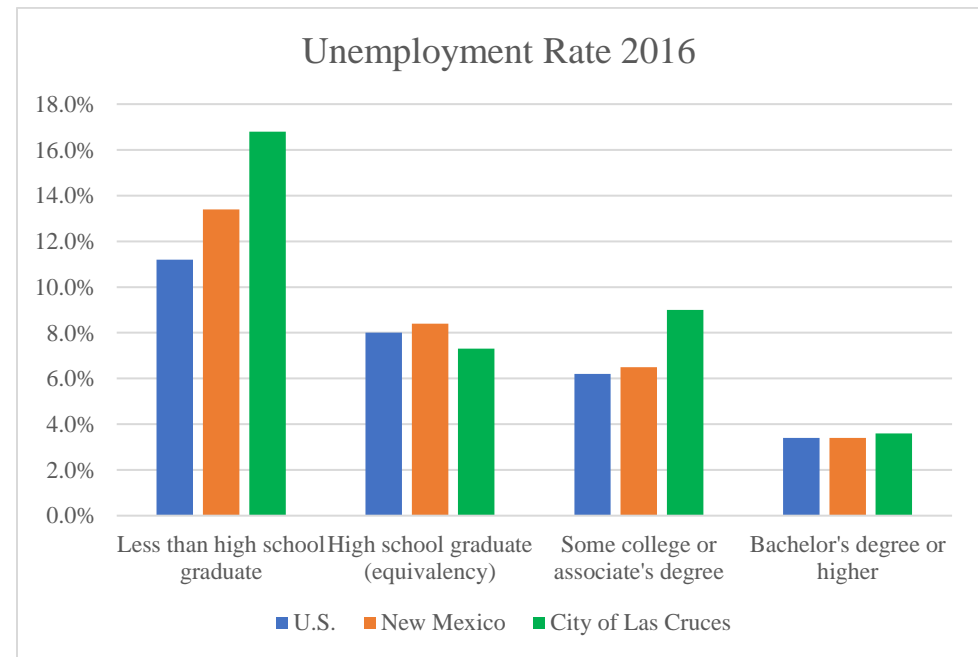
## HIGHLIGHTS:

In comparison to the State of New Mexico and to the United States, the City of Las Cruces faces lower labor force participation rates (LFPR) for individuals with less than high school and individuals with high school equivalency. The LFPR in the City is higher compared to the State for individuals with some college (associate's degree) and bachelor's degree or higher. In 2016, the LFPR of individuals with bachelor's degree or higher in the City was 83.1%, which is slightly below the Nation at 86.1%, and above the State at 82.6%.

In terms of the 2016 unemployment rate, individuals in the City of Las Cruces with less than high school face a much larger unemployment rate than the State or the Nation. In 2016, individuals with less than a high school degree in the City faced 16.8% unemployment rates, which is substantially higher than the State of New Mexico at 13.4% and the Nation with 11.2%.



Source: U.S. Census Bureau ACS 5 Year Estimates

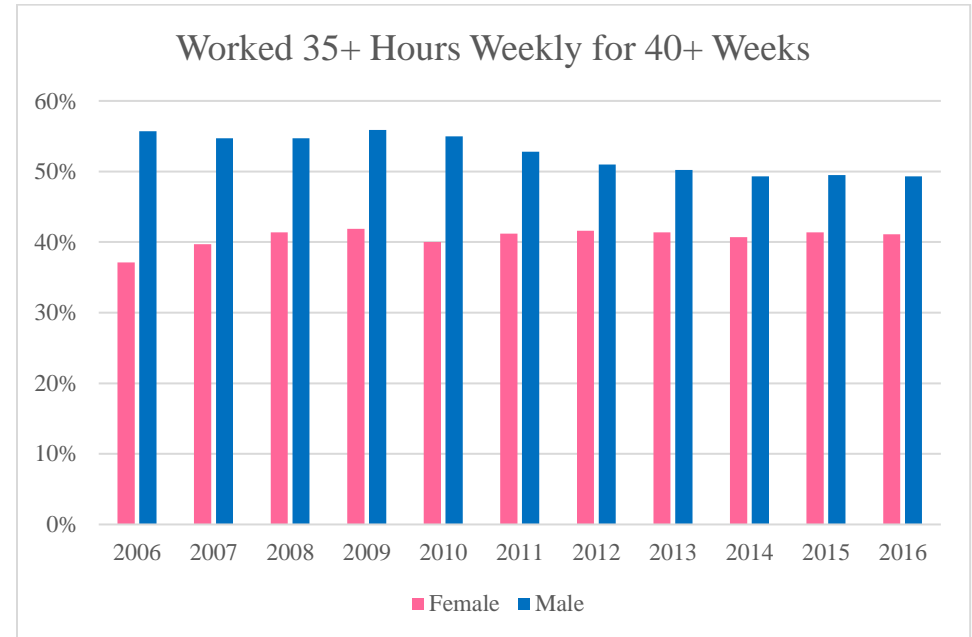


Source: U.S. Census Bureau ACS 5 Year Estimates

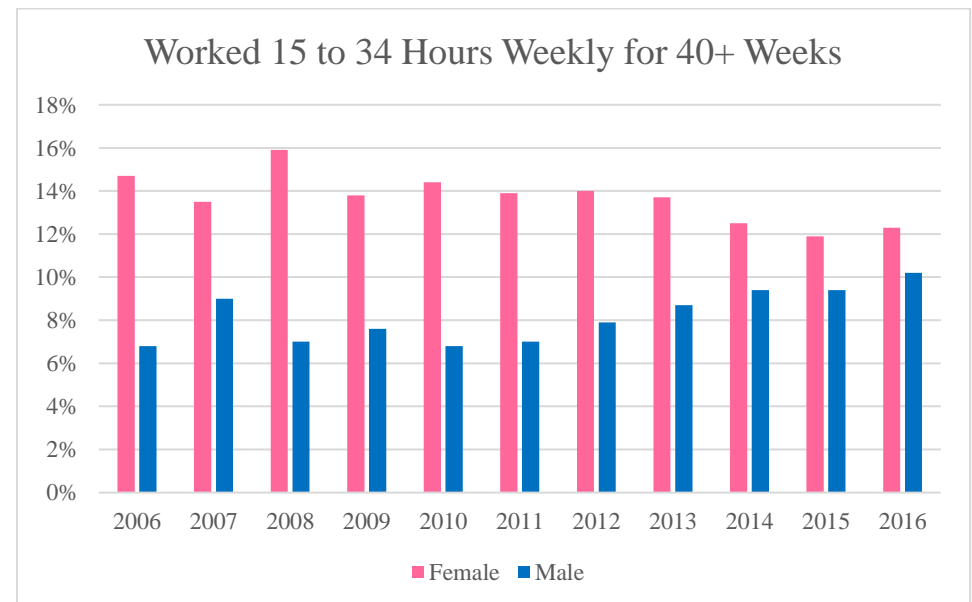
# UNEMPLOYMENT & LABOR FORCE

## HIGHLIGHTS:

Hours worked is a measurement for exploring underutilized workforce. A full-time employee is expected to typically work 35 or more hours per week for more than 40 weeks of the year. The Census Bureau reports that the percentage of females above the age of 16 and below age 64 have increased the number of hours they work over time. In its counterpart males have been decreasing the number of hours they work considered to be full-time from 2006 to 2016. This can be observed in the graphic below indicating hours worked of what would be considered part-time employment. In here, the share of females working part-time has been decreasing since 2006, whereas the share of males working part-time has been increasing since 2010.



Source: U.S. Census Bureau ACS 5 Year Estimates



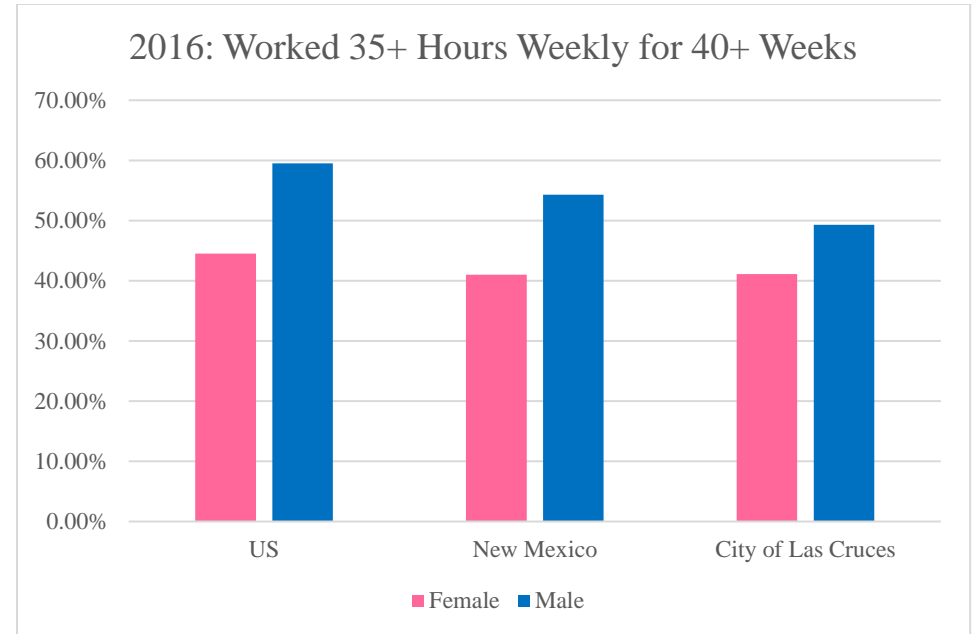
Source: U.S. Census Bureau ACS 5 Year Estimates



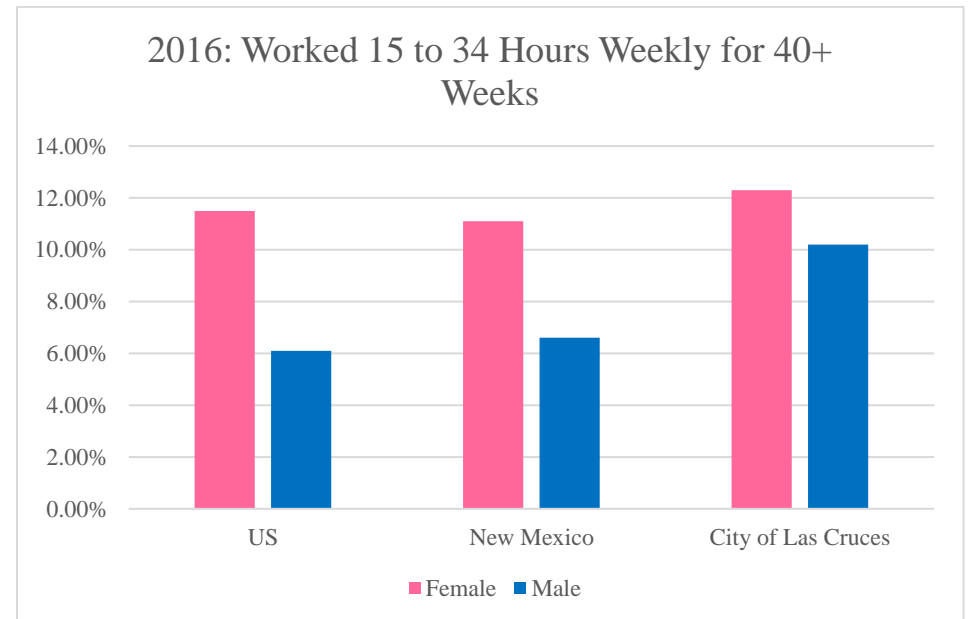
# UNEMPLOYMENT & LABOR FORCE

## HIGHLIGHTS:

In comparison to the State of New Mexico and to the United States, the City of Las Cruces faces a lower percentage of males working full-time. However, when comparing females, the proportion in the City is almost equal to the State. Although, it is still below the Nation. This implies that females in the City of Las Cruces have a higher tendency to work full time, than females in the State, but below females in the Nation. However, this is not the case for males, which have a lower tendency for working full-time than males in the State and the Nation.



Source: U.S. Census Bureau ACS 5 Year Estimates



Source: U.S. Census Bureau ACS 5 Year Estimates

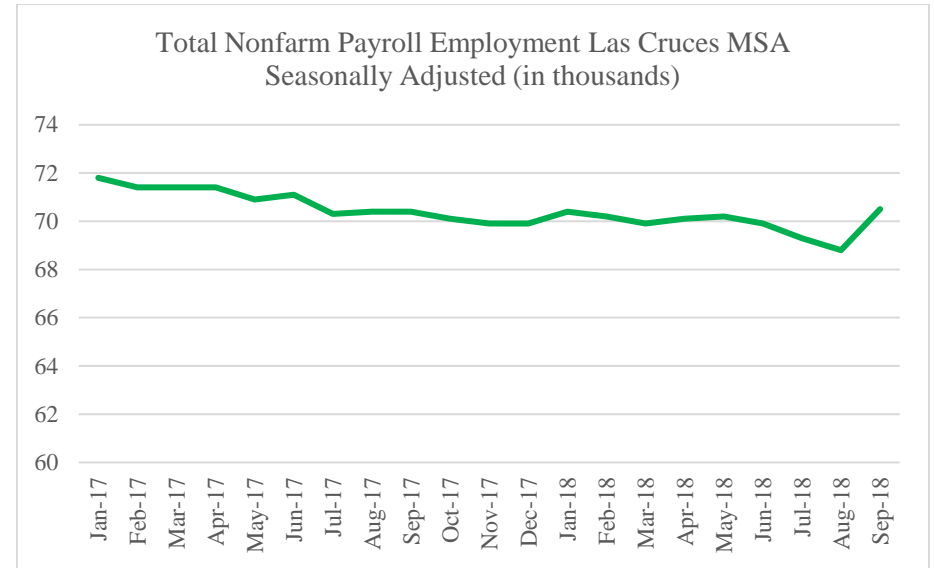
# UNEMPLOYMENT & LABOR FORCE

## HIGHLIGHTS:

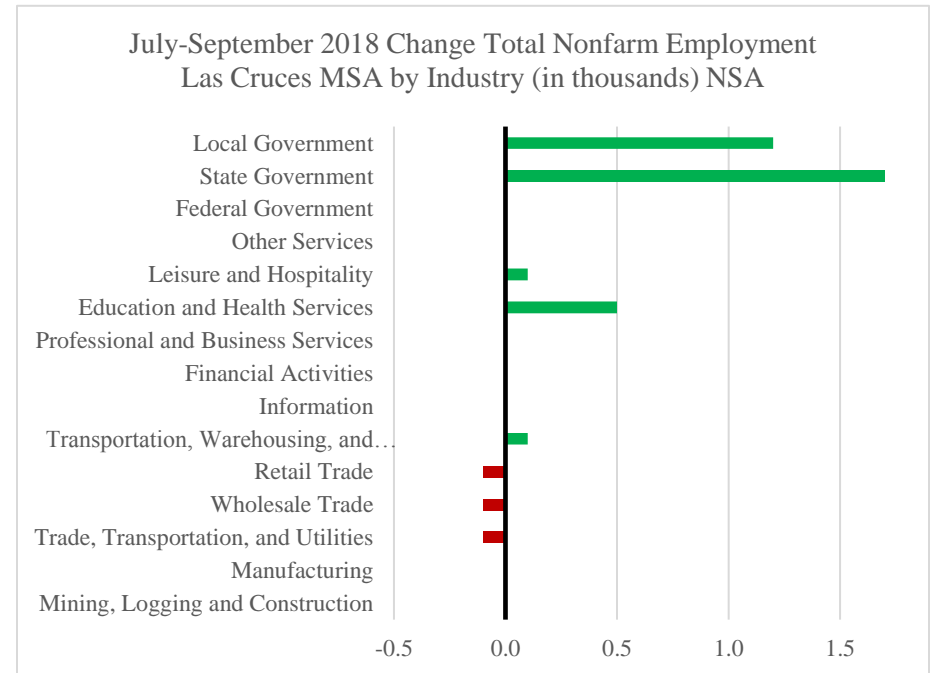
The Bureau of Labor Statistics reports on a monthly basis the Total Nonfarm Payroll Employment (TNPE) for Las Cruces MSA. The latest preliminary figure of the seasonally adjusted TNPE indicates that the metropolitan area of Las Cruces has 70,500 payroll jobs in September 2018. The first graph indicates a downward tendency in the TNFPE seasonally adjusted since January 2017 with relative increases in June 2017 and September 2018. The lowest figure being August 2018, where TNPE reported was at 68,800 jobs. Since then, there was a slight recovery in September 2018, where the current TNPE is at 70,500.

The second graph illustrates TNPE from an industry perspective, since July 2018 to September 2018 local and state government have represented the largest increase in jobs for the Las Cruces MSA. The largest increase during this period has been in the State government. If the industry has no changes, then no line is observed in the industry.

October 2018 data expected release date: December 2018



Source: U.S. Bureau of Labor Statistics



Source: U.S. Bureau of Labor Statistics

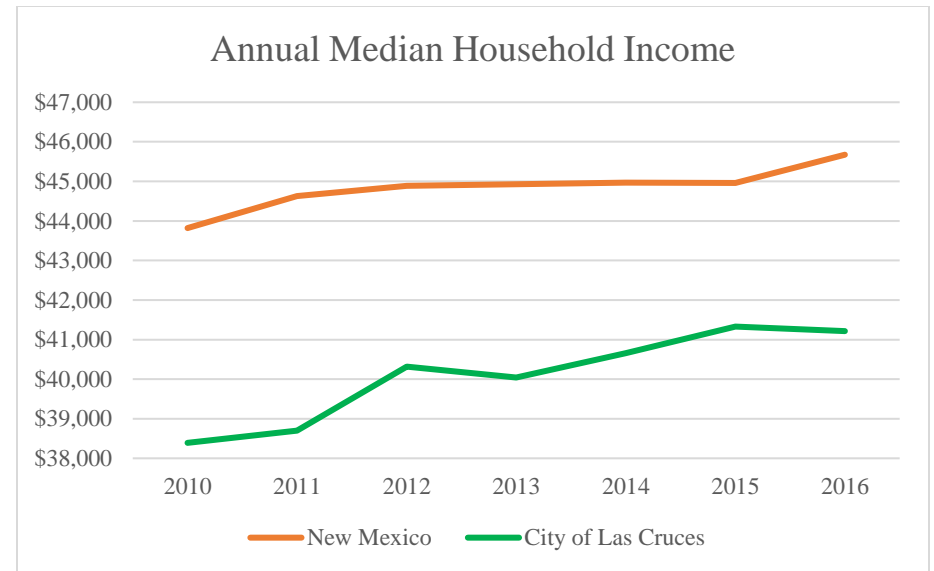
# INCOME

## HIGHLIGHTS:

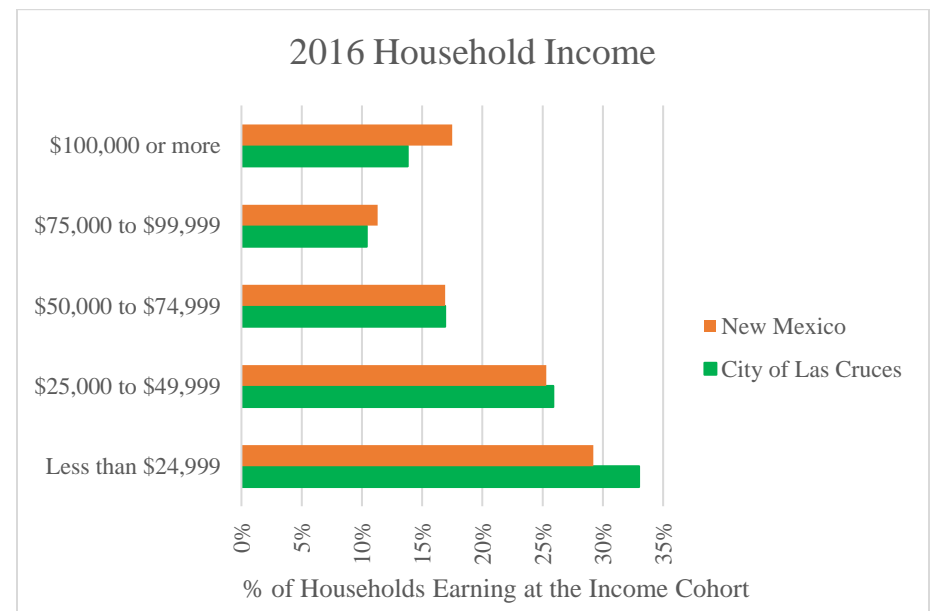
The U.S. Census Bureau reports median household income for the City of Las Cruces in 2016 at \$41,215. In comparison, the state of New Mexico has a household income of \$45,674 for 2016. A difference of \$4,459 between the State and the City's median household income.

However, even though the City has a smaller median household income than the State, the trend has been positive overall. In 2010 the median household income in the City was \$38,391, which means that median household income has increased \$2,824 in 6 years.

The second graph illustrates the composition of 2016 household income. It indicates that for the City of Las Cruces, about 33% of households earn less than \$24,999 annually. This represents 1 out of every 3 households in the City earn below \$24,999. In comparison to the State, with 29% of households earning below \$24,999, the City has a larger proportion of households earning less annual income.



Source: U.S. Census Bureau ACS 5 Year Estimates



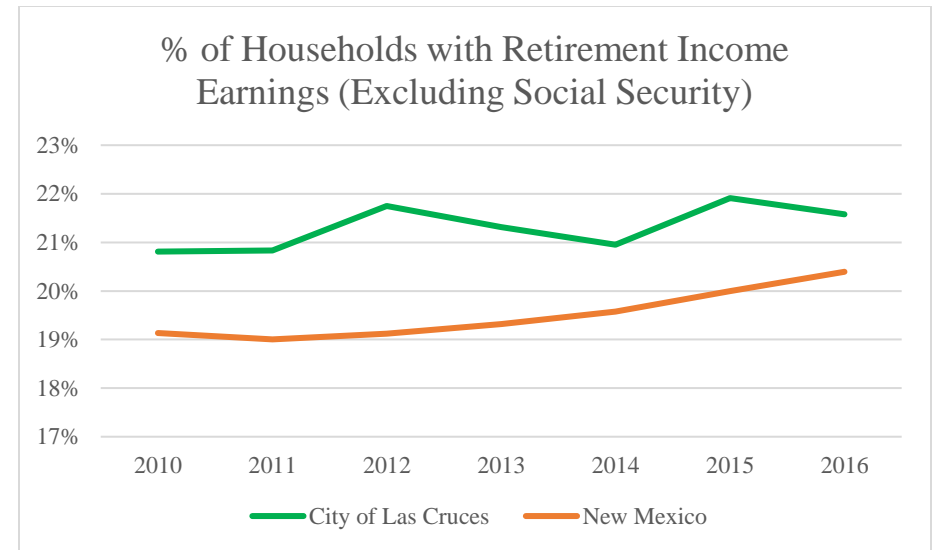
Source: U.S. Census Bureau ACS 5 Year Estimates

## INCOME

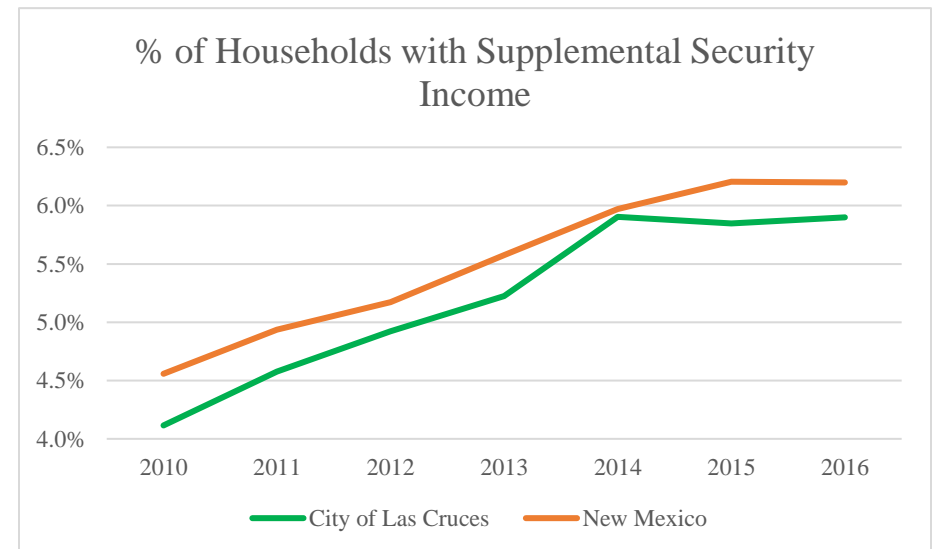
### HIGHLIGHTS:

In terms of retirement income, the City has a larger proportion of households on retirement income than the State. In 2016 about 21.5% of households in the City of Las Cruces were receiving some form of retirement income (excluding social security). At least since 2010 there is a larger proportion of households in the City of Las Cruces that receives retirement income, than the State. Albeit, the trends on City and State households with retirement income have been increasing both since 2010. This is a phenomenon expected to continue as more baby-boomers continue to retire.

The second graph illustrates the percentage of households with Supplemental Security Income (SSI) for the City of Las Cruces and the State of New Mexico. The SSI is an assistance program that provides cash support and health care coverage (i.e., Medicaid) to people with low-income and limited assets who are either aged 65 or older, blind, or disabled (children included). The proportion of households with SSI is smaller for the City of Las Cruces, than for the State. In 2016 the SSI for the City was 5.8% of households, whereas for the State the SSI was 6.1% of households.



Source: U.S. Census Bureau ACS 5 Year Estimates



Source: U.S. Census Bureau ACS 5 Year Estimates

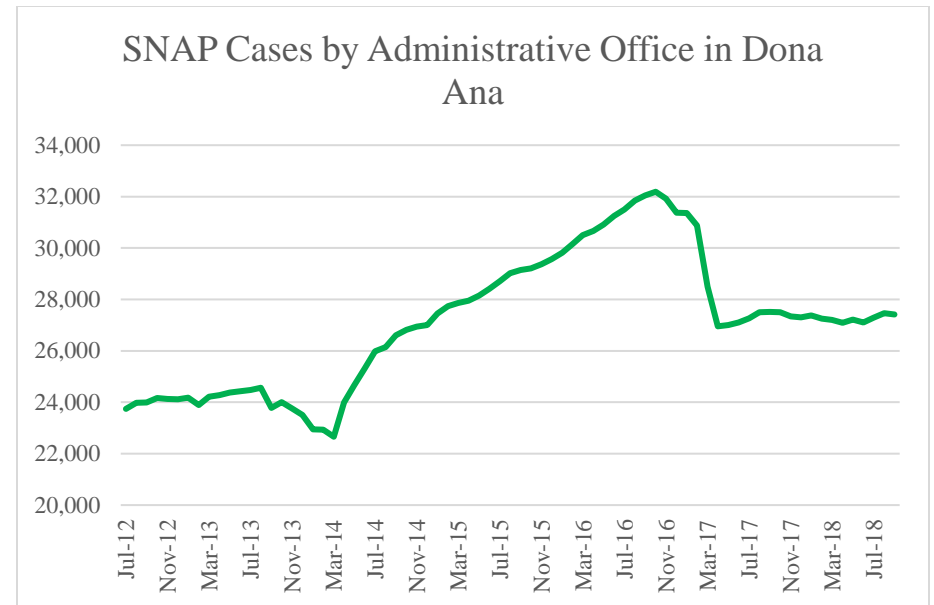
## INCOME

### HIGHLIGHTS:

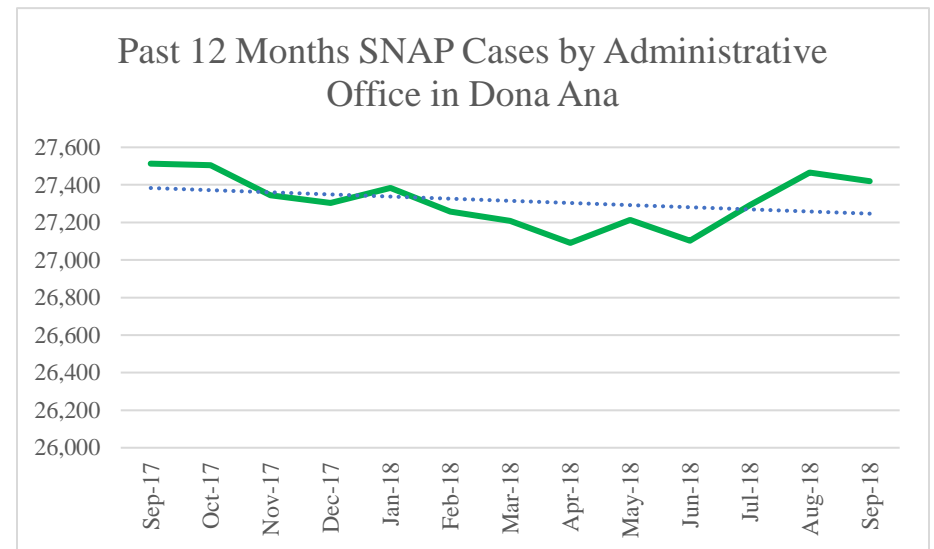
The New Mexico Human Services Department publishes a monthly statistical report with figures of Supplemental Nutrition Assistance Program (SNAP) cases by administrative office. In this report, there are 3 offices reported for the Doña Ana County (East, South, and West offices). The reports indicate that for September 2018 the number of SNAP program cases in Doña Ana County was 27,419, which represents a decrease of 46 cases from August 2018 at 27,465.

The number of SNAP cases in Doña Ana in the past 12 months reached its minimum of 27,091 in April 2018 and its maximum of 27,505 in October 2017. At least in the past 12 months there is a downward tendency in cases of SNAP recipients.

October 2018 data expected release date: December 2018



Source: New Mexico Human Services Department



Source: New Mexico Human Services Department

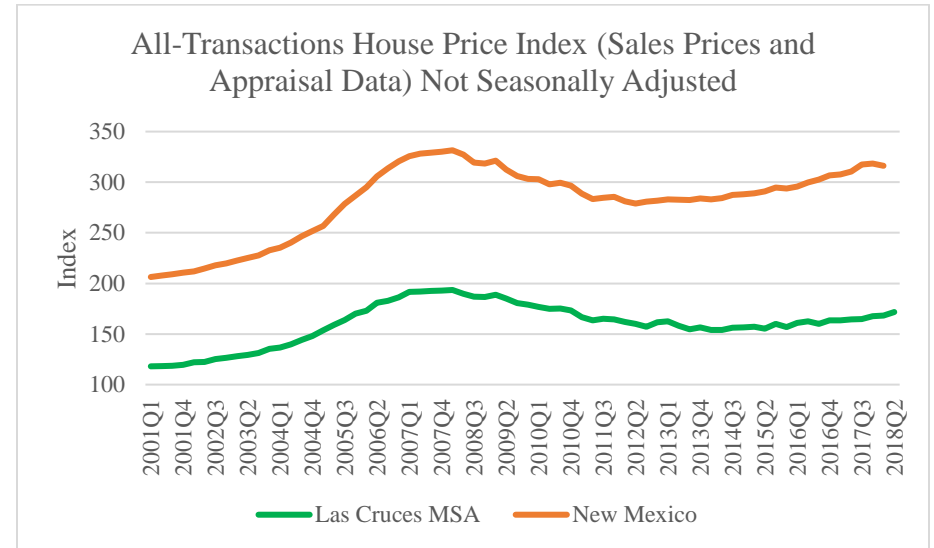
# HOUSING

## HIGHLIGHTS:

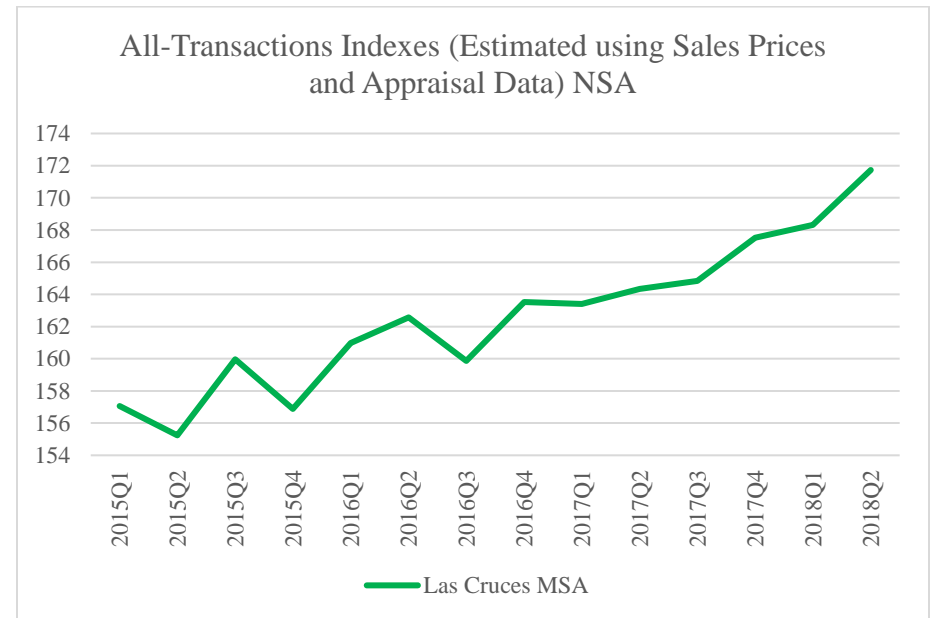
The Federal Housing Financing Agency (FHFA) report the All-Transactions House Price Indexes (HPI), which is an index on the purchase-only data by adding prices from appraisal and sales of homes in a geographic area. The statistic indicates that the Las Cruces MSA faces a lower index, than compared to the state of New Mexico. It shows that the index has been recovering after the Great Recession of 2008.

The tendency of all transactions HPI in Las Cruces MSA indicates an increase in the last year. In the 2<sup>nd</sup> quarter of 2018 the index is at 171.73, which is the highest it has been since 2010. If we compare the 2<sup>nd</sup> quarter of 2018 with the 2<sup>nd</sup> quarter of 2017, there has been an appreciation of 4.5% based on this index.

2018 Q3 All-Transactions Index data expected release date: November 27, 2018



Source: U.S. Federal Housing Finance Agency



Source: U.S. Federal Housing Finance Agency

# HOUSING

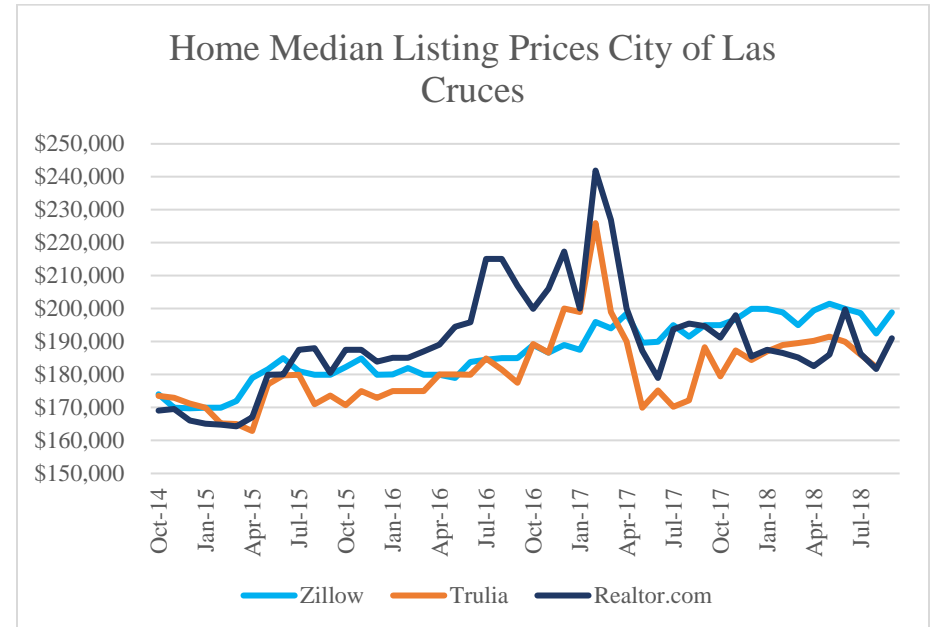
## HIGHLIGHTS:

Monthly median listing prices for homes in the City of Las Cruces are collected from 3 agencies: Zillow.com, Trulia.com, and Realtor.com.

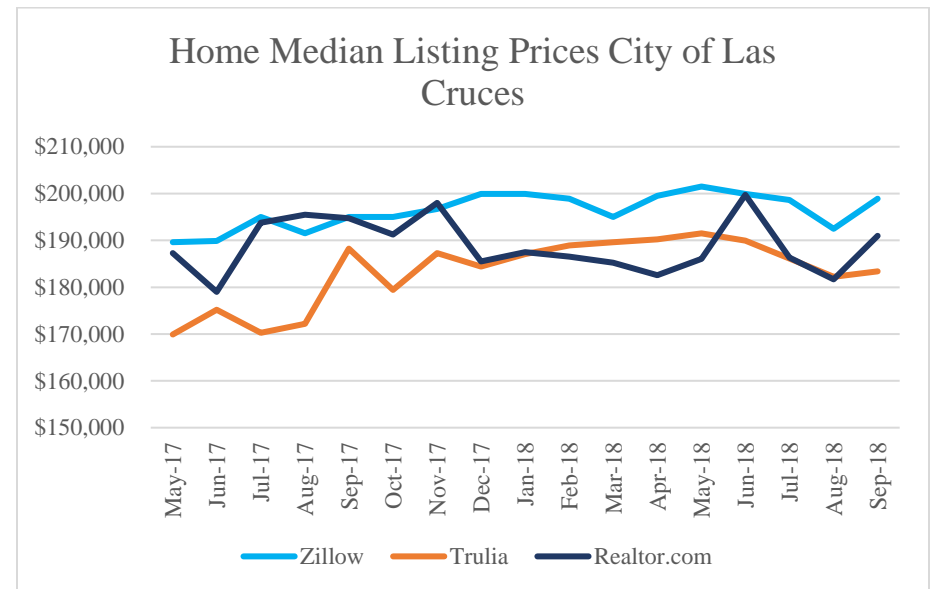
Median listing home prices have been increasing since June 2017. The median listing home prices are listed according to three websites: \$198,900, \$191,500, and \$183,360 for Zillow.com, Realtor.com, and Trulia.com respectively in September 2018.

It is important to point out that even though there is an upward trend in home prices, there are steep fluctuations in median listing prices of homes in the City of Las Cruces, at least in the data shown by Realtor.com, which could imply volatility in the housing market of the City.

October 2018 figures will be released in December 2018



Source: Zillow.com, Trulia.com, Realtor.com



Source: Zillow.com, Trulia.com, Realtor.com

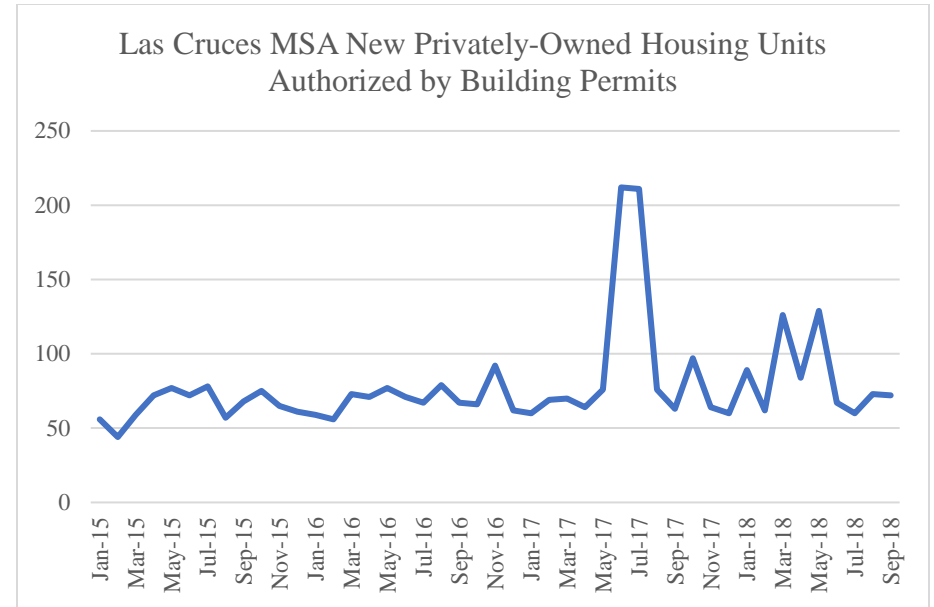
# HOUSING

## HIGHLIGHTS:

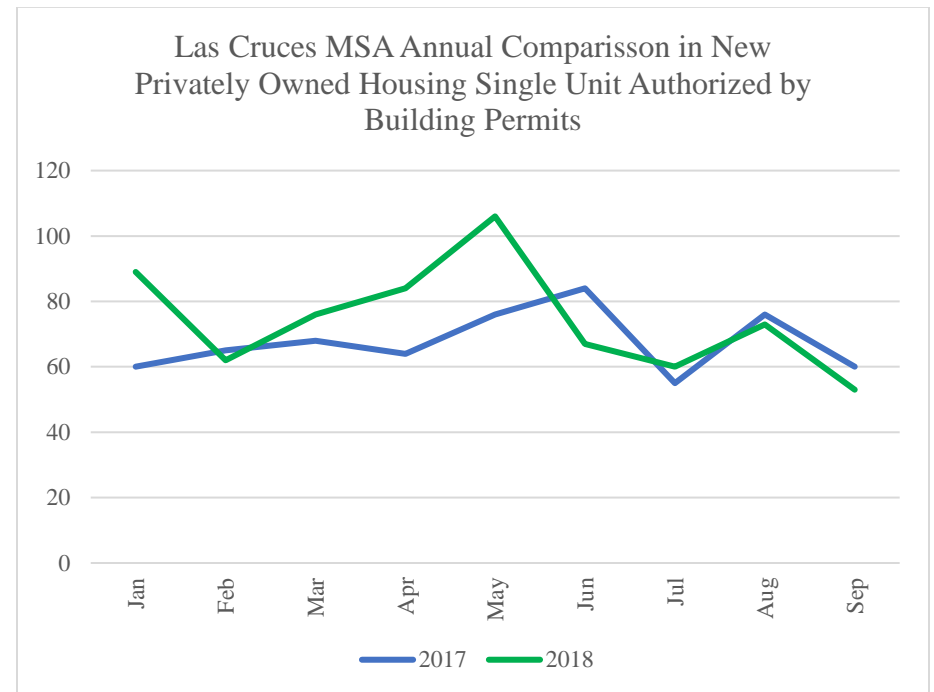
The Census Bureau indicates that the new privately-owned housing units authorized by building permits in the metropolitan area of Las Cruces has been increasing since the beginning of 2018. So far in 2018 there have been 762 housing units added in Las Cruces metropolitan area.

Compared with 2017, the number of single housing units building permits has been increasing in the first 5 months of 2018. This is an indication of the recovery in this market. There was a decrease from May to July of 2018, but it started recovering for August 2018 with 73 single housing units building permits for Las Cruces MSA in this month.

October 2018 figures will be released in November 24 2018



Source: U.S. Census Bureau



Source: U.S. Census Bureau



# HOUSING

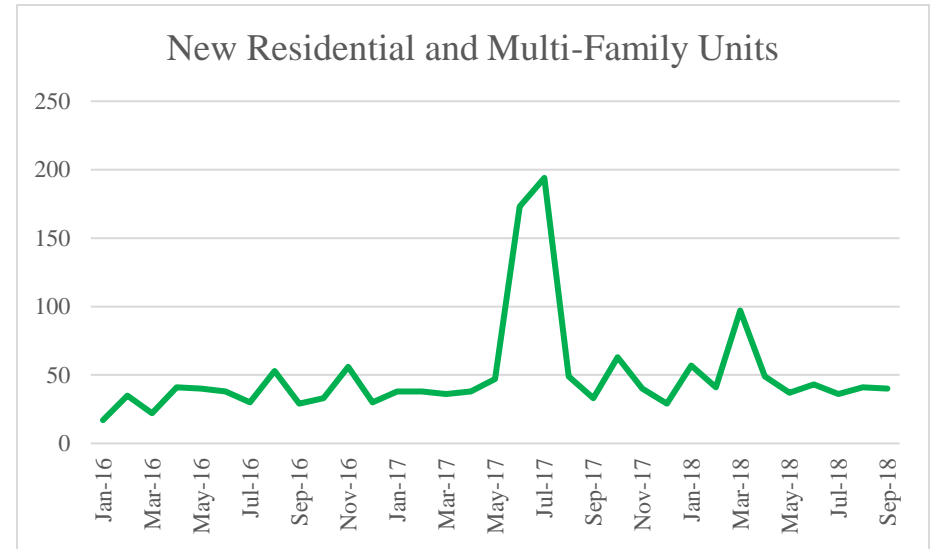
## HIGHLIGHTS:

The Community Development Department of the City of Las Cruces reports permits issued on the number of new residential and new residential multi-family units by month for the City. The first graph illustrates that the number of units from new residential and multi-family has increased in the City.

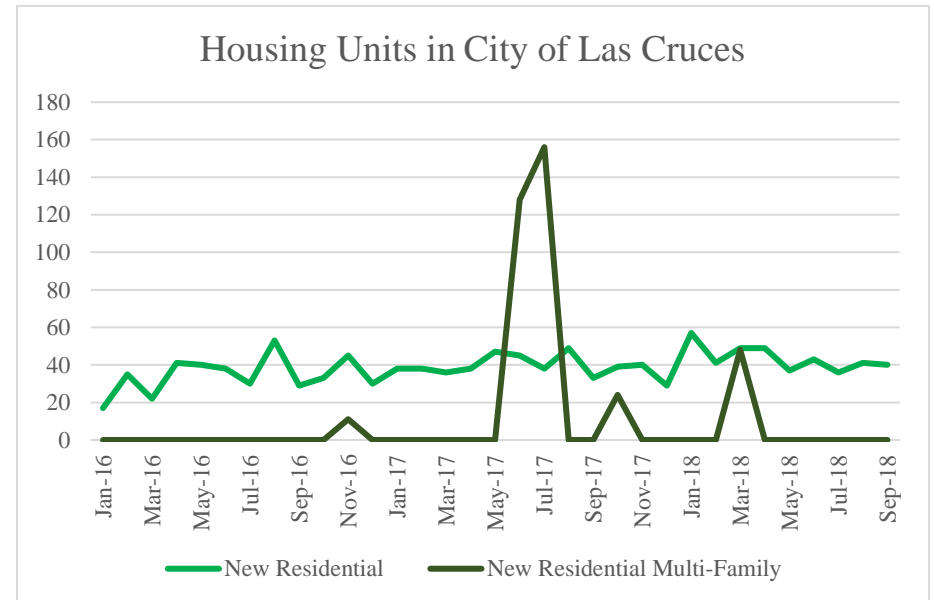
This information resembles what the US Census Bureau reports for the new privately-owned housing units in the Las Cruces MSA. This confirms, that there was an increase in the supply of housing units for both the City and the MSA of Las Cruces. Single family unit residential building permits from January to September 2018 have been in aggregate 393.

The housing units had a large increase due to the construction of new residential multi-family units. The second graph illustrates that the number of new residential housing units, remained relatively stable through 2016 and 2017.

September 2018 data expected release date: late October 2018



Source: City of Las Cruces, Community Development Department



Source: City of Las Cruces, Community Development Department

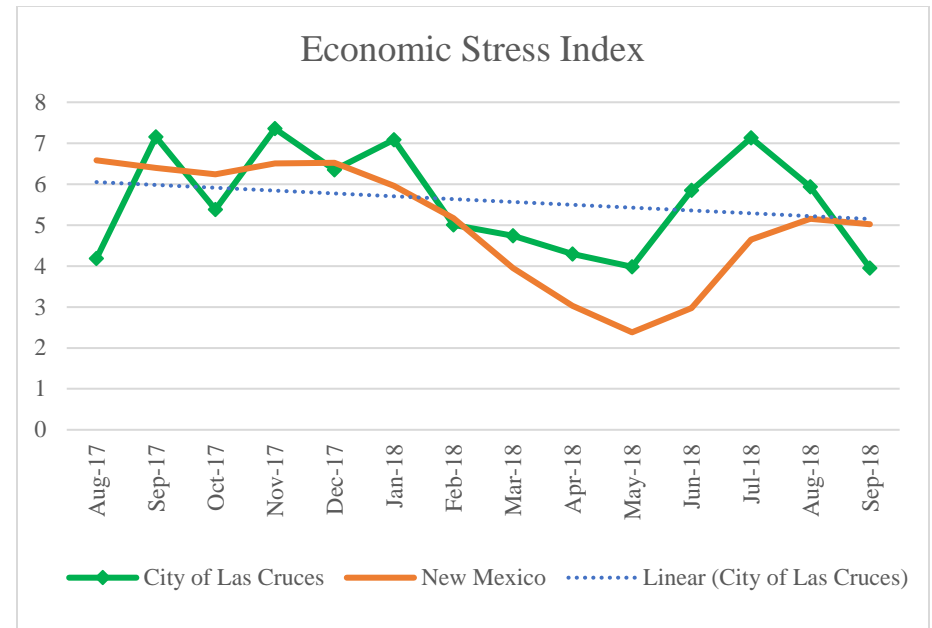
## ECONOMIC STRESS INDEX

### HIGHLIGHTS:

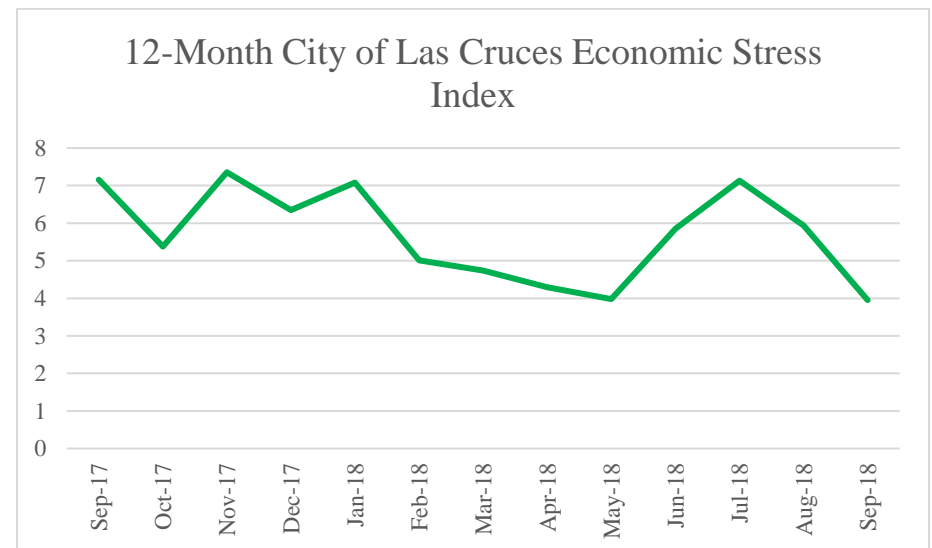
The Economic Stress Index (ESI) is an augmented version of the Misery Index created by Arthur Okun in the 1970s. It was designed to measure the misery of people by combining the unemployment rate and the inflation rate. In general, a higher value reflects a more miserable society. The ESI includes housing prices, to accurately reflect the “misery” of people. Housing prices adds value because today’s Americans hold more wealth in homes than previous generations.

The ESI for City of Las Cruces and the State is calculated by adding 3-month moving average not seasonally-adjusted monthly unemployment rates, plus the 3-month moving average inflation rates from the monthly CPI of West urban consumers not seasonally adjusted, minus the 3-month moving average of the growth in monthly median listing prices for homes in the City of Las Cruces and New Mexico collected from the mean of Zillow.com, Trulia.com, and Realtor.com.

The ESI increased during the last 3 months, with its highest point since 12-months ago on July 2018. On May and September of 2018, the City had the lowest ESI of the past 12 months. In general, the linear trend is slightly upwards, which implies an increase in the economic stress of the citizens of Las Cruces. The current statistic indicates that compared to the State, the City is facing lower economic stress. This can be attributed due to the slight increased housing values for this quarter.



Source: City of Las Cruces, Economic Development Department



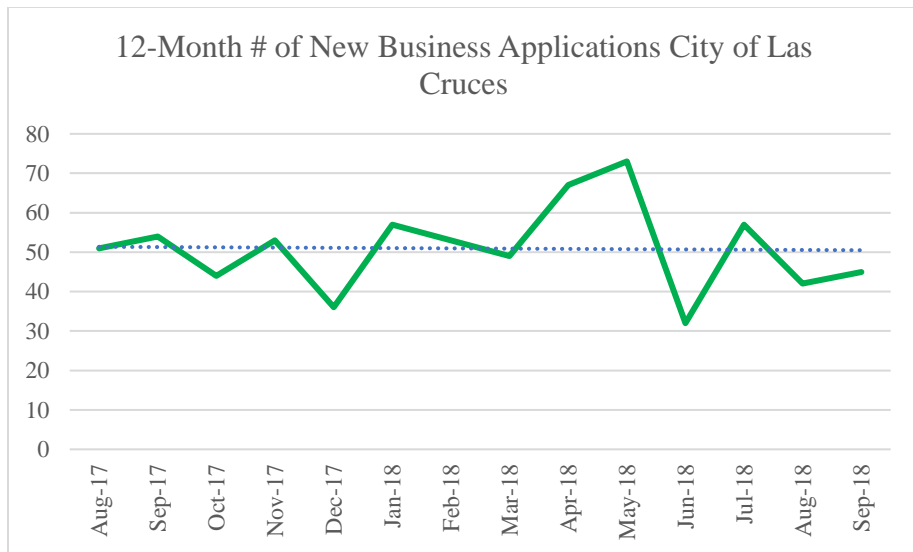
Source: City of Las Cruces, Economic Development Department

# BUSINESSES

## HIGHLIGHTS:

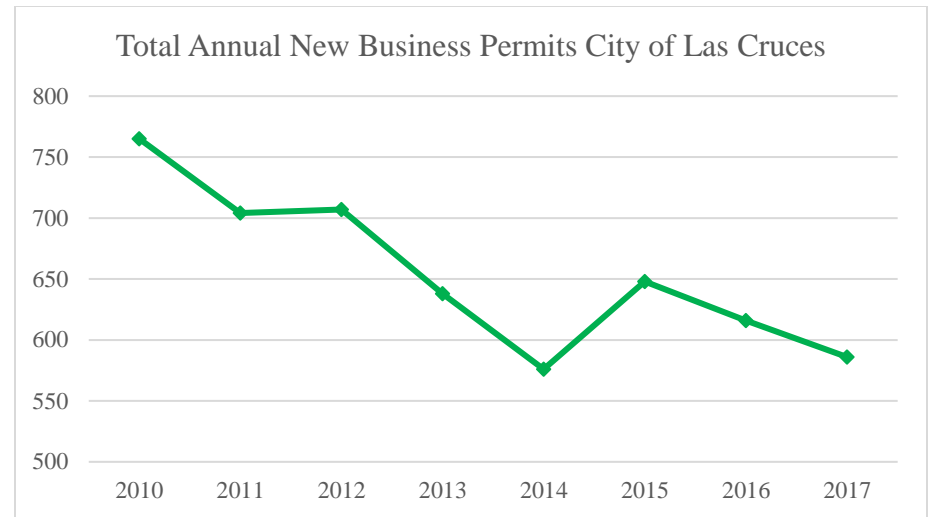
New business registrations data is from Community Development Department at the City of Las Cruces. The 12-month trend indicates a constant linear tendency in new business registrations. On September 2018, there were 45 new business registrations, which is below the average for September at 55. The annual data, however, indicates a downward tendency since 2010. Although, during the first 8 months of 2018 the number of new business registrations is higher than 2017 by 22.

During the first 8 months of 2018 there were 2 months that over-performed to the 7-year monthly averages from 2010 to 2017. On 2018 the months of April and May exceeded the averages from 2010-2017.

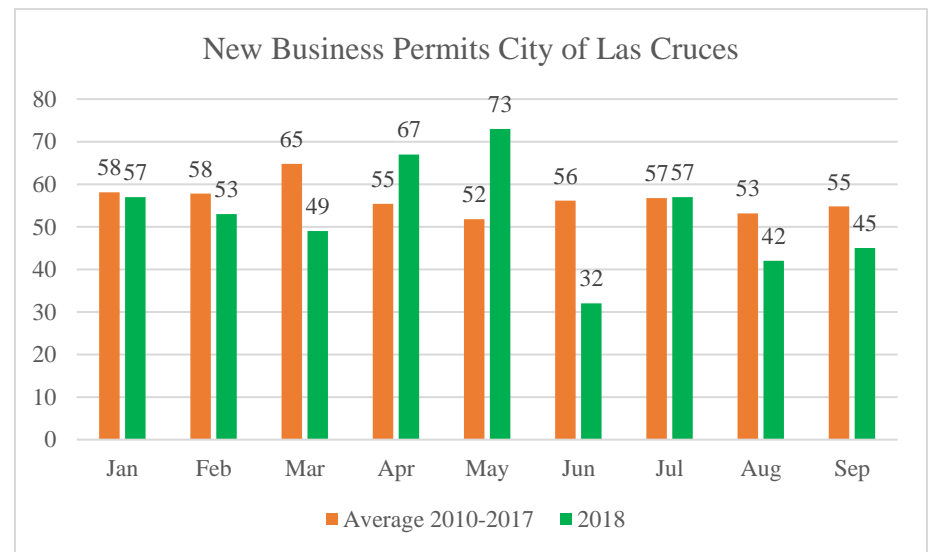


Source: City of Las Cruces, Community Development Department

October 2018 data expected release date: late November 2018



Source: City of Las Cruces, Community Development Department



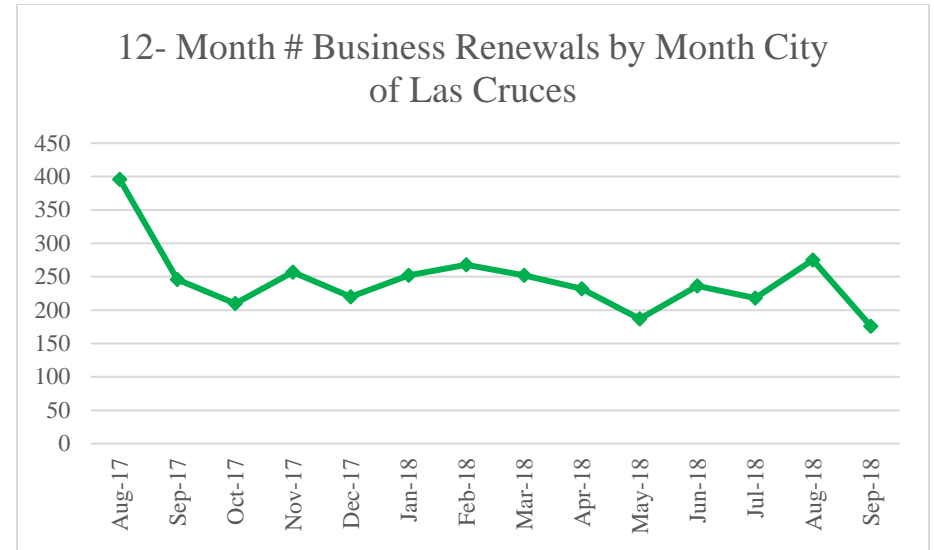
Source: City of Las Cruces, Community Development Department

# BUSINESSES

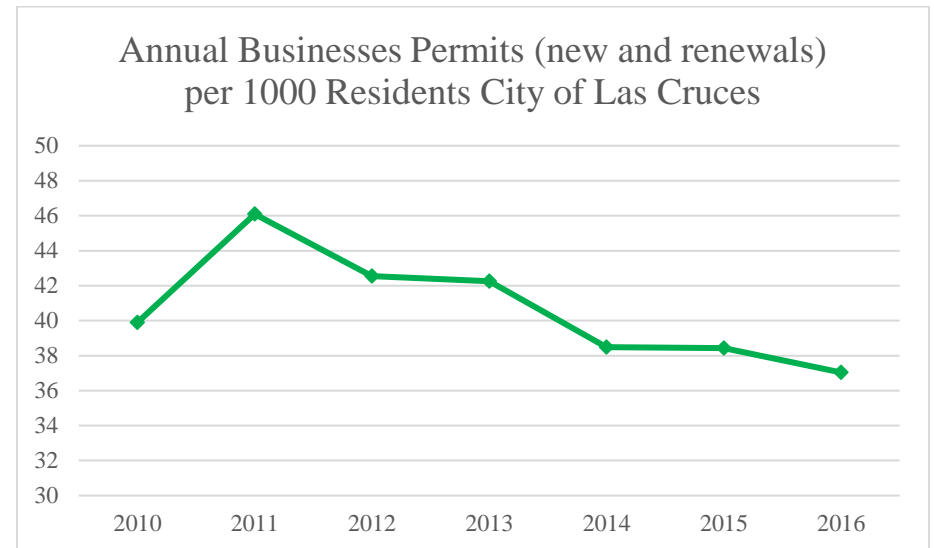
## HIGHLIGHTS:

Information on business permit renewals is also available via the Community Development Department at the City of Las Cruces. In September 2018, 176 business renewed their permits with the City. This is smaller than the 2017 figures for the same month by 70. Given that the largest increase in business renewals in this time-period occurred on August 2017.

The number of businesses per 1,000 residents in the City has been decreasing from its highest point in 2011, where it stood at 46 businesses permits (new and renewals) to 37 per thousand residents in 2016.



Source: City of Las Cruces, Community Development Department



Source: City of Las Cruces, Community Development Department

## BUSINESSES

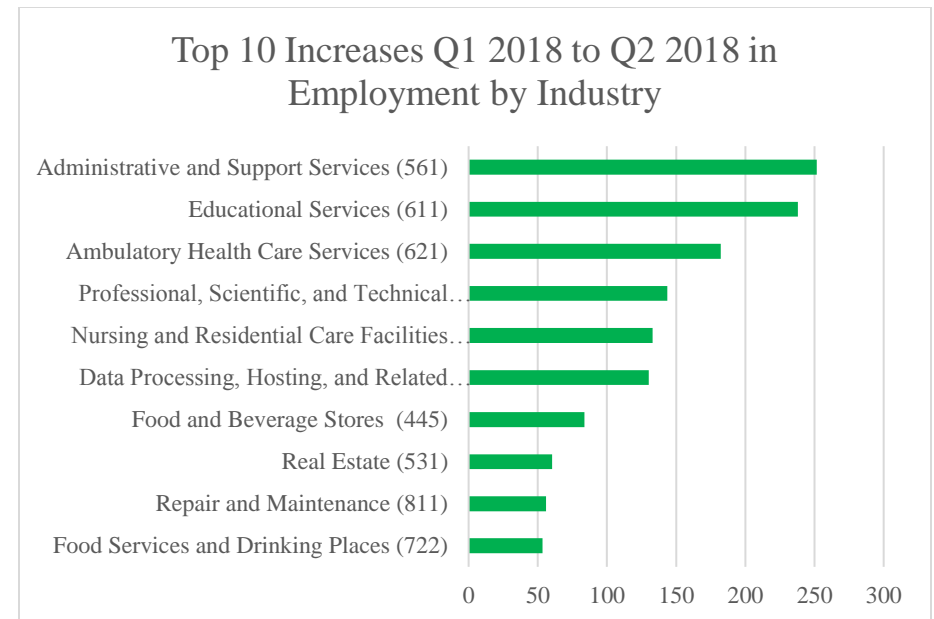
### HIGHLIGHTS:

The top 10 industries with the largest increases/ decreases in employment from the 1<sup>st</sup> quarter of 2018 to the 2<sup>nd</sup> quarter of 2018 by 3-digit NAICS code industries in the City of Las Cruces is collected from Chmura's Jobs EQ.

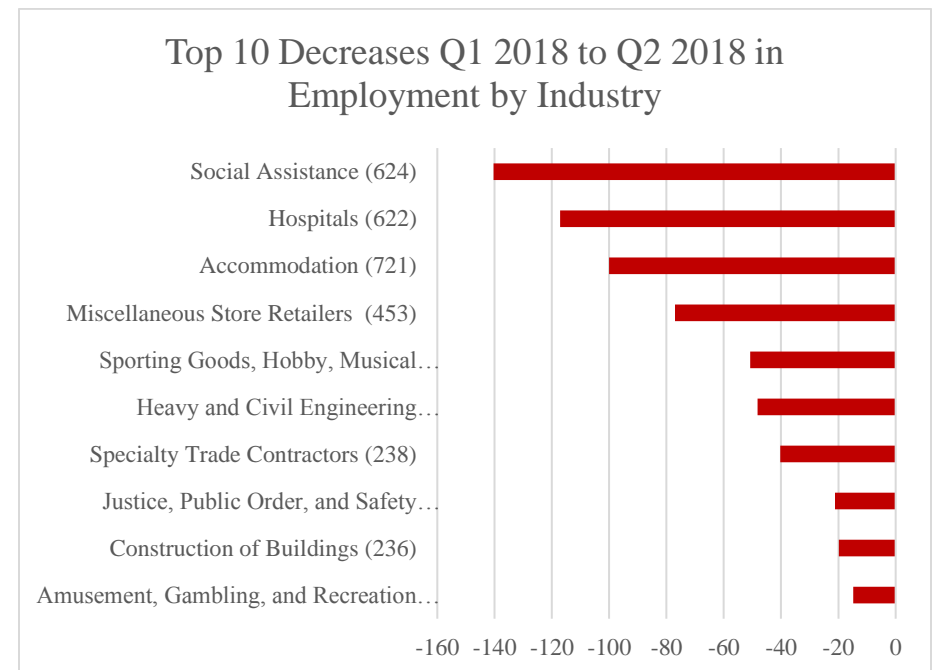
The first graph is an indicator of what industries located within the City of Las Cruces are increasing the most in terms of employment from Q1 to Q2 2018. The industry that increased the most in this quarter was Administrative and Support Services (NAICS 561) with a quarterly increase of 252 employed in this industry. A close follower was Educational Services (NAICS 611), which added 238 employed in this industry.

The second graph is an indicator of what industries located within the City are decreasing the most in terms of employment from 1<sup>st</sup> to 2<sup>nd</sup> quarter of 2018. The industry that lost the most was Social Assistance (NAICS 624), which lost 140 people employed in this period. This industry provides a wide variety of social assistance services directly to their clients. These services do not include residential or accommodation services, except on a short stay basis. Another industry with high loss of employment is Hospitals (NAICS 622) which lost about 117 individuals employed in this industry.

Q3 2018 data release expected date: November 2018



Source: City of Las Cruces and Jobs EQ



Source: City of Las Cruces and Jobs EQ

## BUSINESSES

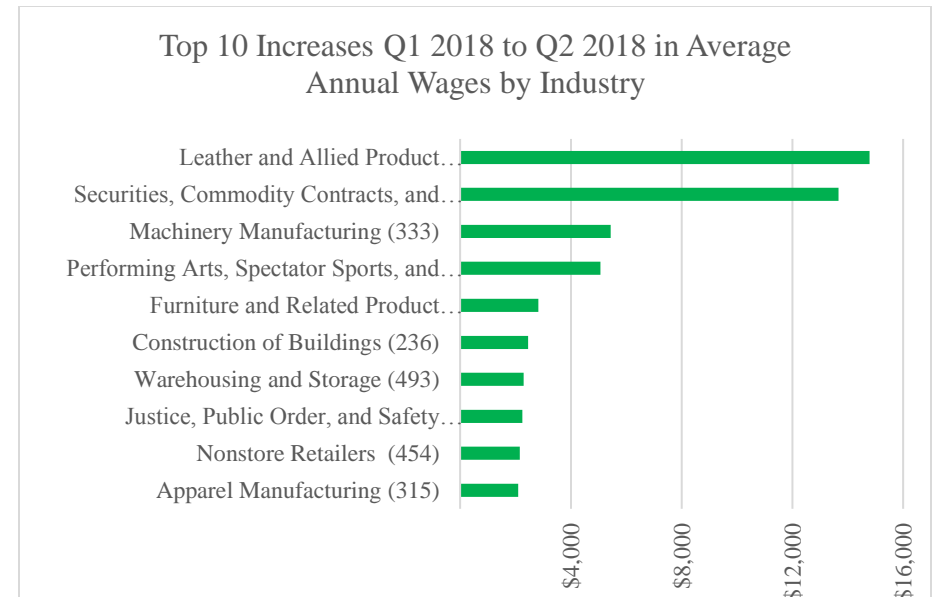
### HIGHLIGHTS:

The top 10 industries with the largest increases/ decreases in average annual wages from the 1<sup>st</sup> to 2<sup>nd</sup> quarter of 2018 by 3-digit NAICS code industries in the City of Las Cruces is collected from Chmura's Jobs EQ.

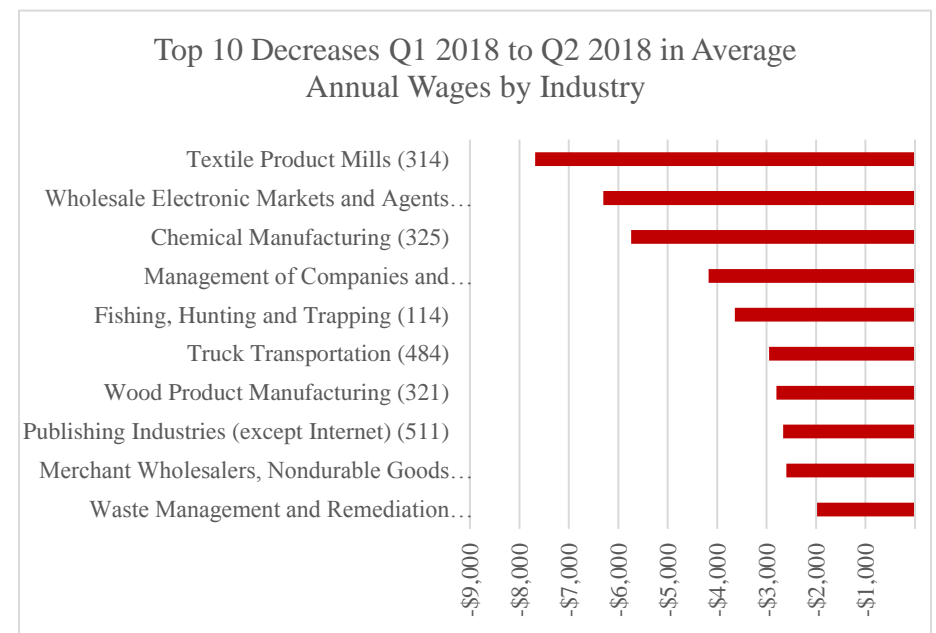
The first graph is an indicator of what industries located within the City of Las Cruces are increasing the most in terms of annual average wages per worker. The industry that increased the most in annual average wages per worker was Leather and Allied Product Manufacturing (NAICS 316) with an average annual increase of \$14,782 in wages per worker. Another industry that increased as well was Securities, Commodity Contracts, and Other Financial Investments and Related Activities (NAICS 523), which added an average annual increase in wages per worker of \$13,672.

The second graph is an indicator of what industries located within the City are decreasing the most in terms of wages on an annual basis per worker. The industry that lost the most was Textile Product Mills (NAICS 314), which on average lost an annual average wage per worker of \$7,6079. Another industry with high loss of average annual wages per worker is Wholesale Electronic Markets and Agents and Brokers (NAICS 425) which lost an annual average wage of \$6,304.

Q3 2018 data release expected date: November 2018



Source: City of Las Cruces and Jobs EQ



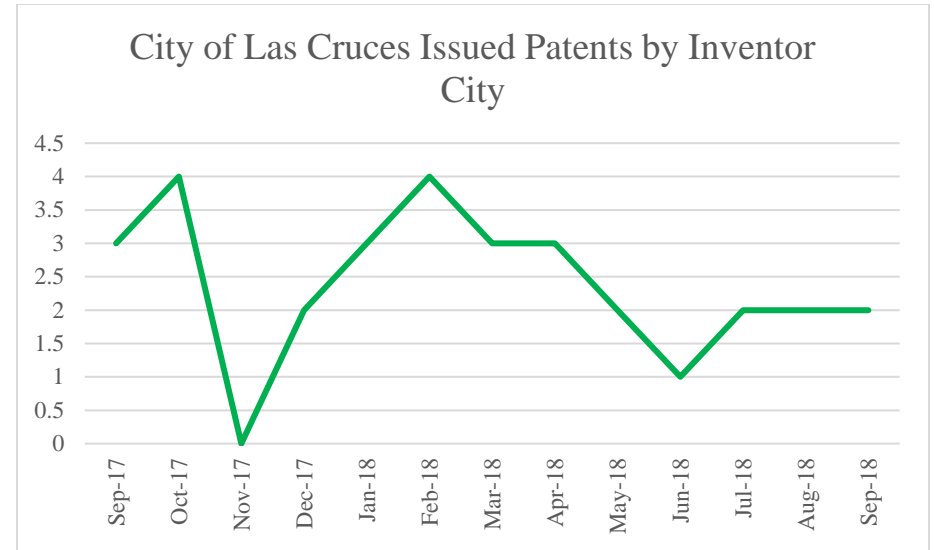
Source: City of Las Cruces and Jobs EQ

# PATENTS/INNOVATION

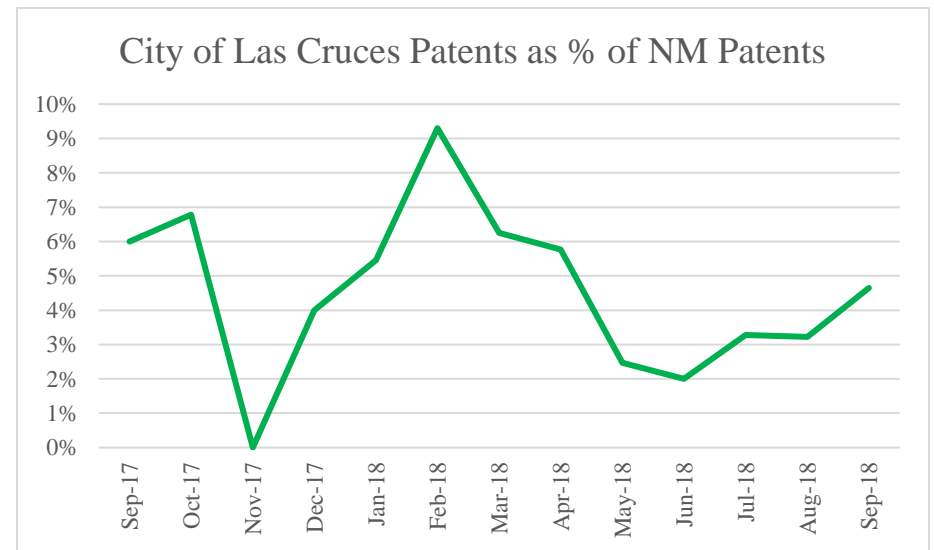
## HIGHLIGHTS:

Utility patents granted by inventor city is a measurement of intellectual property (IP), which can potentially help in generating economic development. Patents are also a result of Research and Development (R&D) intensive industries/universities, where they are necessary for competition.

The City has many of its patents assigned to the Arrowhead Center in NMSU. As it can be observed from the graphics, the City of Las Cruces has produced about 2.3 patents per month on average since June 2017.



Source: United States Patent and Trademark Office



Source: United States Patent and Trademark Office

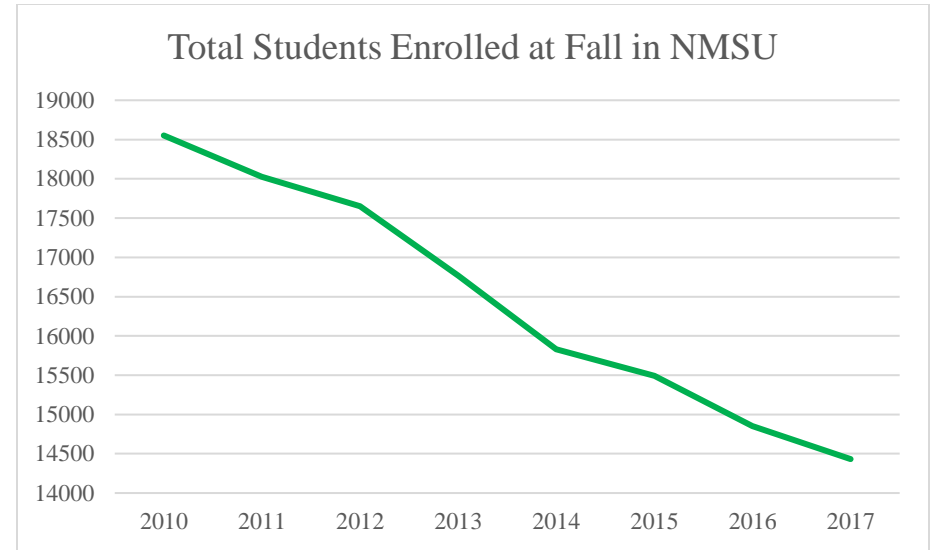
October 2018 figures will be released in November 1<sup>st</sup>, 2018

# DEGREES AWARDED/INNOVATION

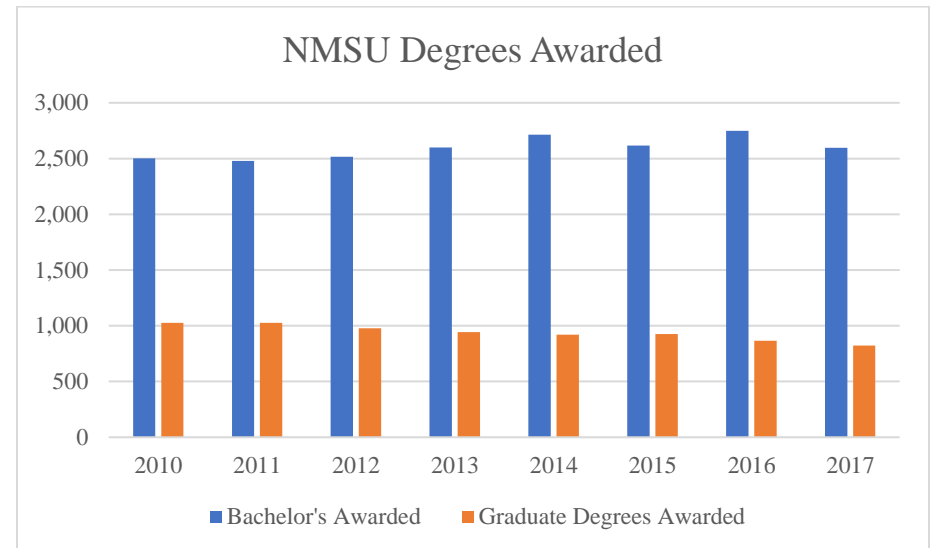
## HIGHLIGHTS:

New Mexico State University (NMSU) has experienced a decline in total students enrolled on Fall at least since 2010. The Office of Institutional Analysis (OIA) indicates that on Fall 2017 there were 14,432 students enrolled in the main campus, which compared to Fall 2010 at 18,552 represents a decrease of 22%.

The number of Bachelor's degrees awarded on 2017 is 2,596 and it has slightly increased since 2010 with 2,502 Bachelor's degrees awarded. This implies that although NMSU has seen a decrease in enrollment, it has improved in its graduation rates.



Source: NMSU Office of Institutional Analysis



Source: Jobs EQ

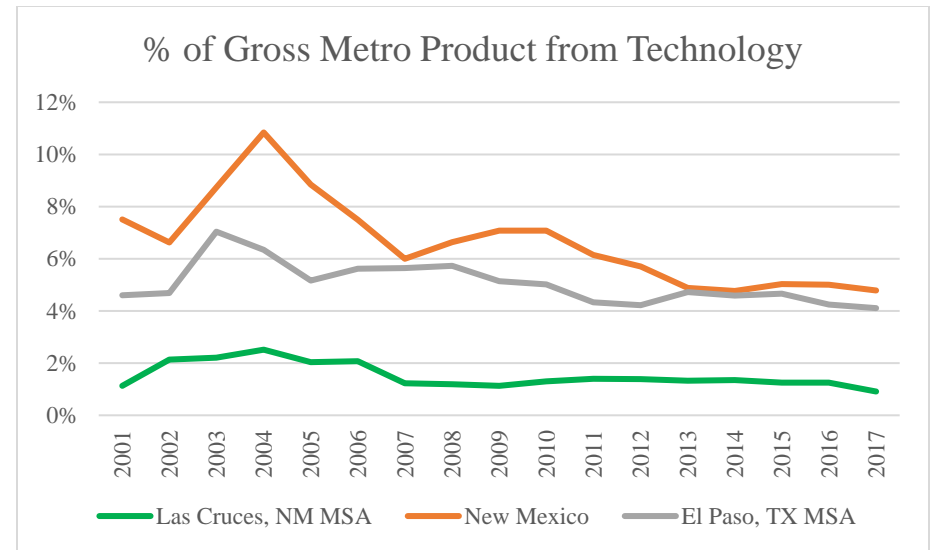


# TECHNOLOGY/INNOVATION

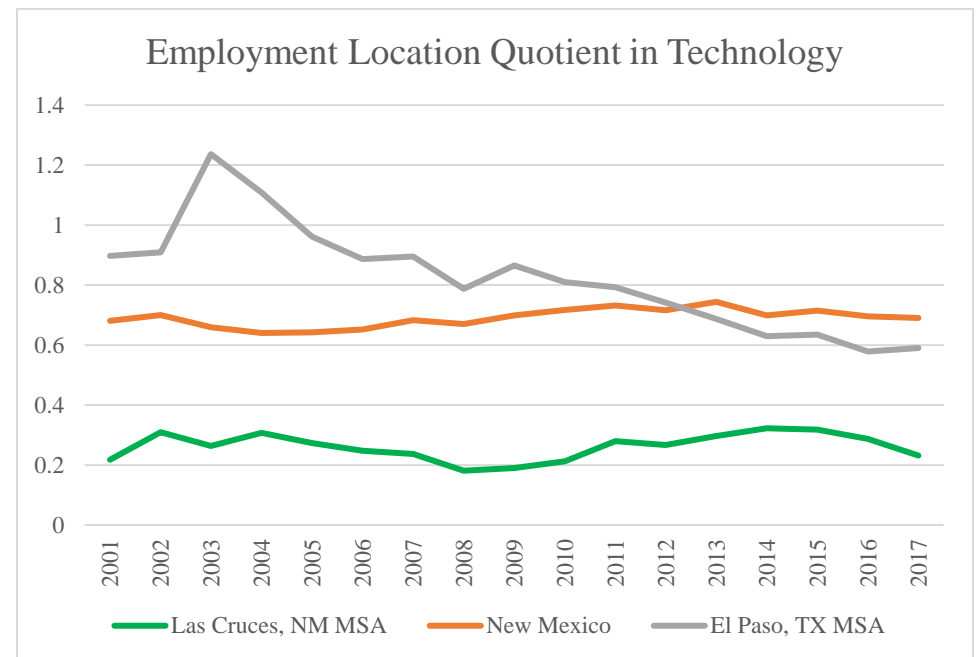
## HIGHLIGHTS:

Technology is calculated in this report as the sum of 32 industries using NAICS codes 33 and 51 associated to manufacturing and information super-sectors. The 32 industries used for this calculation are listed on the Appendix of this report. The annual technology production as a percentage of 2017 Gross Metropolitan Product for Las Cruces MSA is 0.9% of the total GMP. In comparison El Paso, MSA has 4.1% of its GMP from technology, whereas New Mexico has about 4.8% of its gross product coming from industries in technology.

The average employment location quotient (LQ U.S. Based) in technology for Las Cruces MSA is 0.23 in 2017. The same statistic for the State is at 0.69 and 0.59 for El Paso MSA. An LQ below 1 implies that we are employing fewer people than the national average in technology industries.



Source: City of Las Cruces and Jobs EQ



Source: City of Las Cruces and Jobs EQ

GMP 2018 figures will be released in September 2019

# TOURISM\*

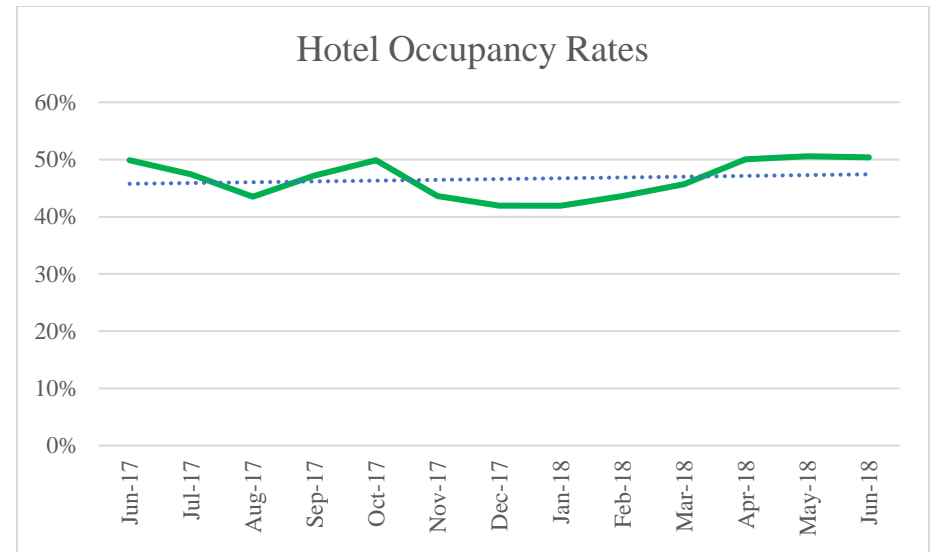
## HIGHLIGHTS:

The Hotel Occupancy Rates (HOR) is a measure of the room nights (rented) per month divided by the number available of hotel rooms per month. For the City of Las Cruces this figure is reported by *Visit Las Cruces*, which indicate that the average HOR for the last year. The latest figure on June 2018 indicates that the HOR was 50%.

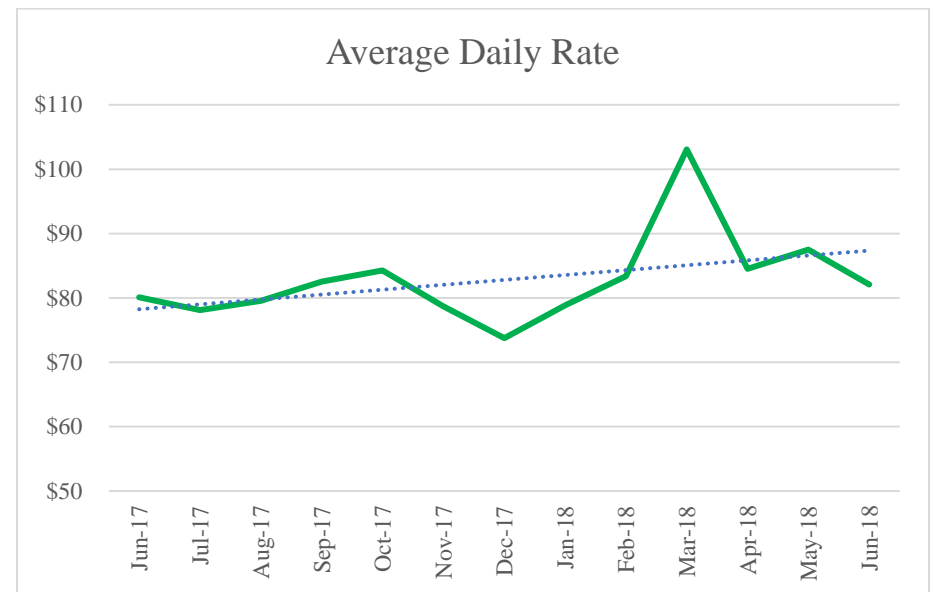
The Average Daily Rate (ADR) is a measure of the room income per month divided by the room nights (rented) per month. The monthly average for 2017 of the ADR is \$81.92. The latest figure was for June 2018 with an ADR of \$82.09.

\*This data is preliminary and subject to change

July 2018 data to be released on December 2018.



Source: City of Las Cruces, Economic Development Department



Source: City of Las Cruces, Economic Development Department

# DOWNTOWN LAS CRUCES

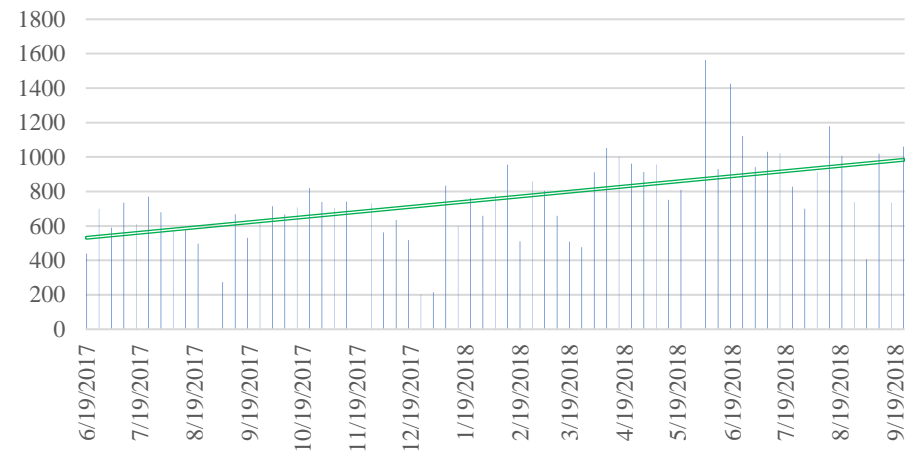
## HIGHLIGHTS:

The Economic Development Department of the City of Las Cruces measures the trends of foot traffic on Main St. to accomplish a Department's strategic result of increases in annual foot traffic in downtown.

The information on the trend in Main St. as measured by Soofa benches from all 7 benches indicate that for every Monday at noon from June 19, 2017 to September 19, 2018 the general the foot traffic has an upward tendency.

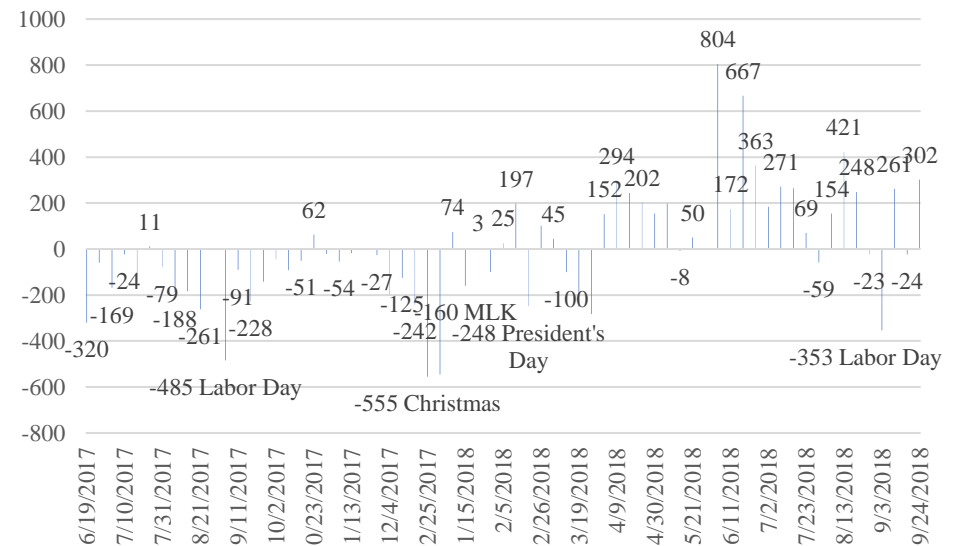
The second graph indicates the difference from average on foot traffic at Main St. This number helps observe that during long weekends Downtown is still not observed as a destination, however those numbers are improving into the future. The figures illustrate the increases in foot traffic overtime.

Mondays at Noon Overall Trend in Main St.



Source: Economic Development Department utilizing Soofa Data.

Main St. Mondays at Noon  
Difference from the Average

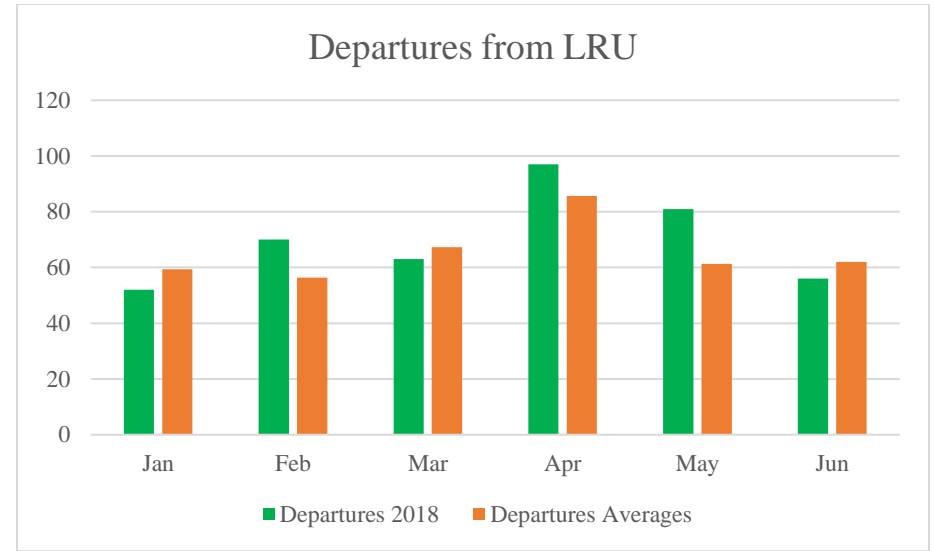


Source: Economic Development Department utilizing Soofa Data.

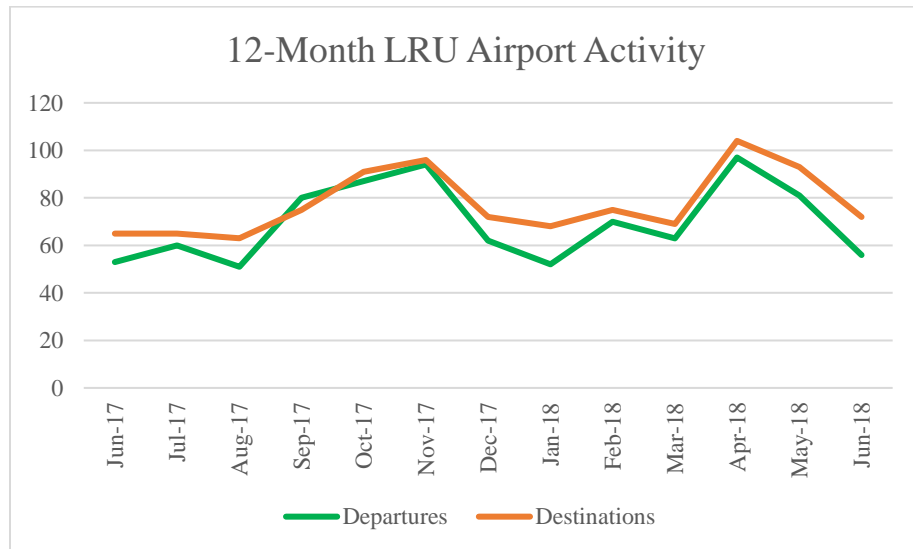
# LAS CRUCES INTL. AIRPORT

## HIGHLIGHTS:

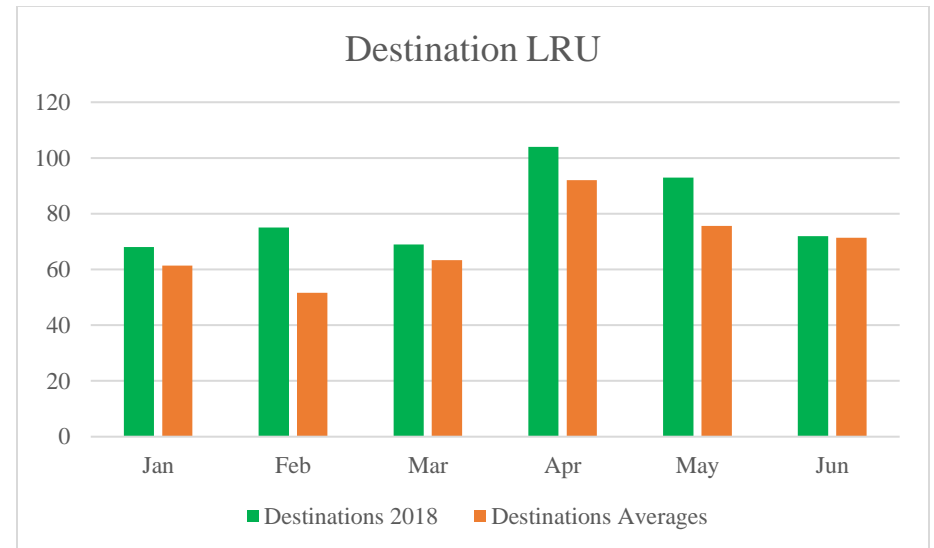
The information in the Las Cruces International Airport (LRU) indicates that from June 2017 to June 2018 there has been a total of 906 departures and 1008 destinations to LRU. On the same period, the average monthly departures are 71, whereas the destinations are 77. During the first 6 months of 2018, on average there have been more destinations to LRU than in previous years (2016, 2017, and 2018) in all months. The departures, however, have been smaller than their 2016-2018 averages on January, March, and June.



Source: City of Las Cruces, Economic Development Department



Source: City of Las Cruces, Economic Development Department



Source: City of Las Cruces, Economic Development Department

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## GLOSSARY

**Average Daily Rate:** is a measure of the room income per month divided by the room nights (rented) per month.

**BEA:** U.S. Bureau of Economic Analysis

**BLS:** U.S. Bureau of Labor Statistics

**Economic Stress Index (ESI):** In general, a higher value reflects a more miserable society. The ESI includes housing prices, to accurately reflect the “misery” of people.

ESI= Unemployment Rate+ Inflation Rate- Growth in Housing Values

**Hotel Occupancy Rates:** is a measure of the room nights (rented) per month divided by the number available of hotel rooms per month.

**Labor Force:** Sum of individuals employed and unemployed.

**Labor Force Participation Rate:** Number of individuals in the Labor Force divided by the overall population ages 16 and over.

**Not Seasonally-Adjusted Unemployment Rate:** Number of individuals who are unemployed (actively seeking employment, ages 16 and over, non-institutionalized) divided by the labor force (sum of individuals employed and unemployed).

**Real Gross Metropolitan Product:** value of goods and services produced within the metropolitan area adjusted to eliminate the effects of inflation.

**Retirement Income:** Includes: (1) retirement pensions and survivor benefits from a former employer, labor union, or Federal, State, county, or other government agency; (2) disability income from sources such as worker’s compensation; companies or unions; Federal, State, or local government; and the U.S. military; (3) periodic receipts from annuities and insurance; and (4) regular income from IRA and KEOGH plans.

**Seasonally-Adjusted Unemployment Rate:** Number of individuals who are unemployed (actively seeking employment, ages 16 and over, non-institutionalized) divided by the labor force (sum of individuals employed and unemployed) adjusted to remove predictable seasonal/monthly pattern influences.

**Supplemental Security Income:** Monthly payment benefits to people with limited income and resources who are disabled, blind, or age 65 or older. Blind or disabled children may also get SSI.

**STEMH:** Degrees in Science, Technology, Engineering, Mathematics, and Health Care.

**Utility Patents by Inventor City:** Permanent patents provided to an inventor resident of a given city.

## APPENDIX

Industries Considered for Technology Measurement					
NAICS	Industries	NAICS	Industries	NAICS	Industries
334111	Electronic Computer Manufacturing	334511	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing	517312	Wireless Telecommunications Carriers (except Satellite)
334510	Electromedical and Electrotherapeutic Apparatus Manufacturing	334412	Bare Printed Circuit Board Manufacturing	511210	Software Publishers
335912	Primary Battery Manufacturing	334413	Semiconductor and Related Device Manufacturing	5121	Motion Picture and Video Industries
33993	Doll, Toy, and Game Manufacturing	334416	Capacitor, Resistor, Coil, Transformer, and Other Inductor Manufacturing	519130	Internet Publishing and Broadcasting and Web Search Portals
3343	Audio and Video Equipment Manufacturing	334417	Electronic Connector Manufacturing	51741	Satellite Telecommunications
336390	Other Motor Vehicle Parts Manufacturing	334418	Printed Circuit Assembly (Electronic Assembly) Manufacturing	5122	Sound Recording Industries
334519	Other Measuring and Controlling Device Manufacturing	334419	Other Electronic Component Manufacturing	5151	Radio and Television Broadcasting
334112	Computer Storage Device Manufacturing	335911	Storage Battery Manufacturing	532282	Video Tape and Disc Rental
33632	Motor Vehicle Electrical and Electronic Equipment Manufacturing	333316	Photographic and Photocopying Equipment Manufacturing	515210	Cable and Other Subscription Programming
33422	Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	334613	Blank Magnetic and Optical Recording Media Manufacturing	518210	Data Processing, Hosting, and Related Services
33421	Telephone Apparatus Manufacturing	5173	Wired and Wireless Telecommunications Carriers		
Industries Considered for Technology Measurement were selected based on a technology report by Price Waterhouse Coopers (2016) where technology is defined by these industries.					