

# U.S. and Texas Economic Update

February 22, 2024

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# THE WALL STREET JOURNAL.

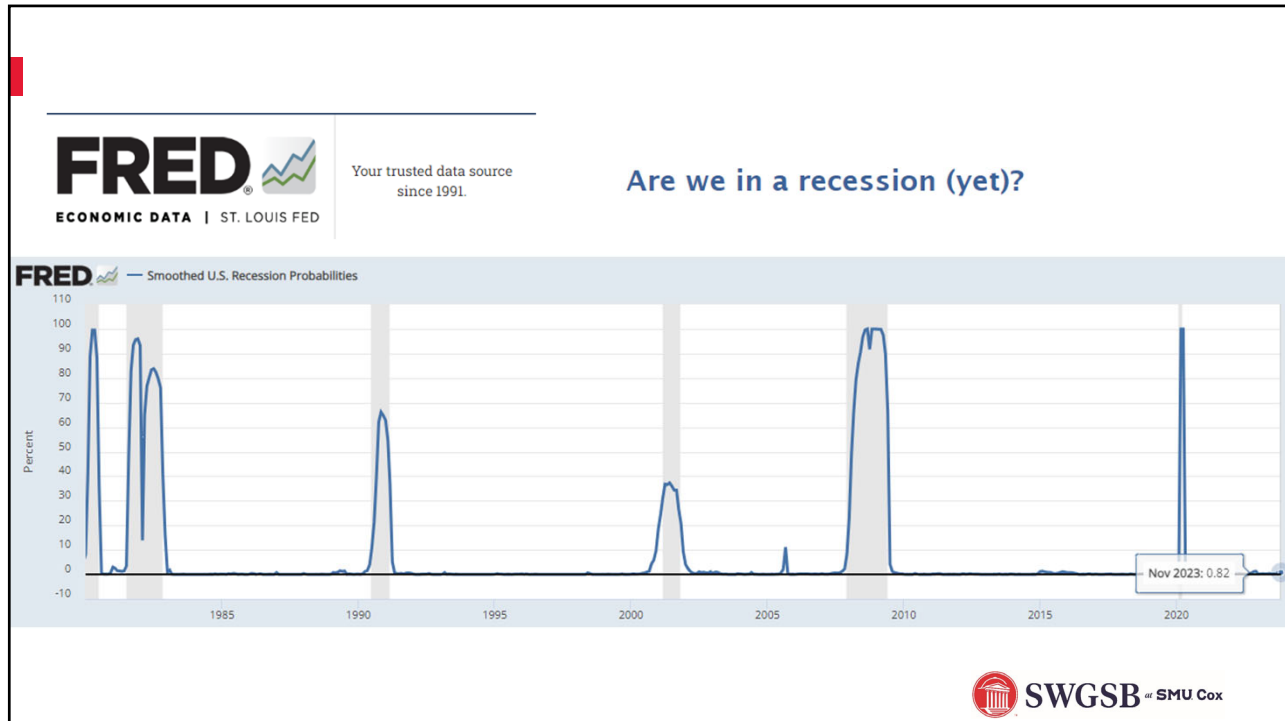
## What Is a Recession and Are We in One Now?

As the stock market declines and the Fed hikes rates, recession fears are rising. Here's what to know.

By [Josh Mitchell](#) [Follow](#)

Updated June 16, 2022 2:44 pm ET





# Size of the Economy

**SWGSB** at **SMU Cox**

## Recent Recessions

- January 1980 – July 1980
- July 1981 – November 1982
- July 1990 – March 1991
- March 2001 – November 2001
- December 2007 – June 2009
- March 2020 – April 2020

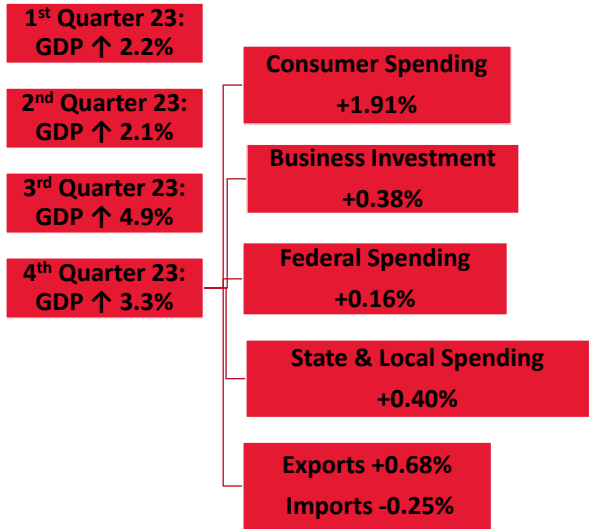


## GDP

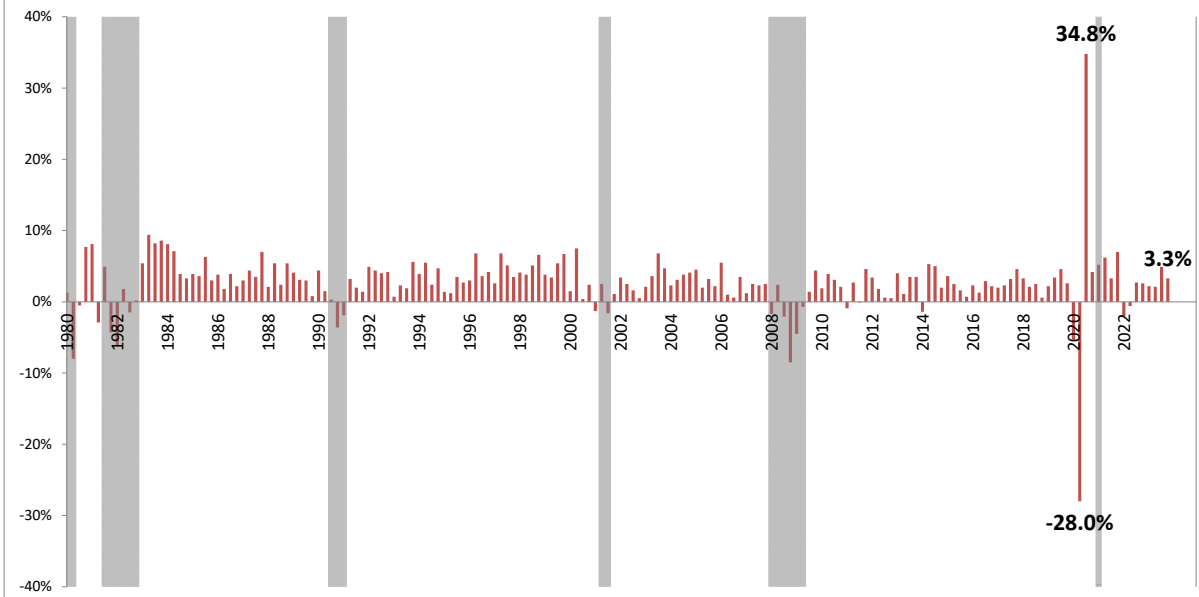
- Personal Consumption: 67.6%
- Business Investment: 17.8%
- Government Spending: 17.4%
- Net Exports: -2.8%

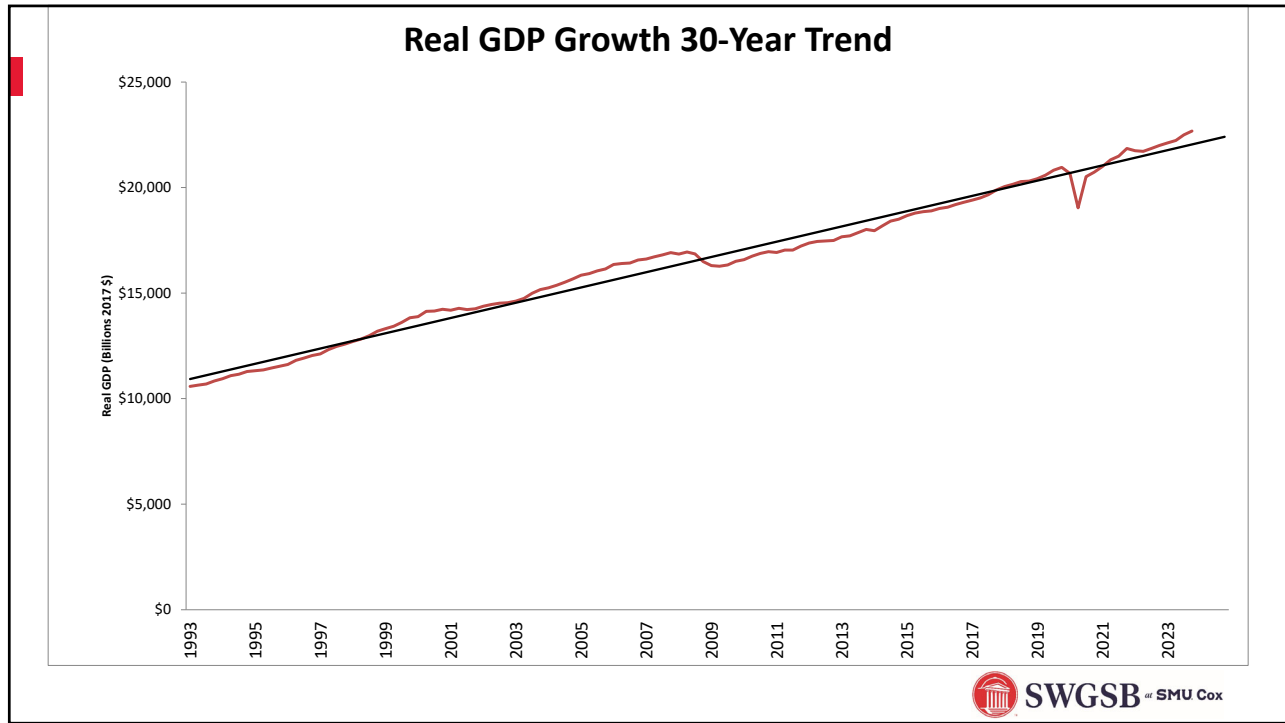



# U.S. GDP



## Growth in Real GDP (QOQ)





 Federal Reserve Bank *of* Atlanta

**GDP**Now™

Latest estimate: 3.0 percent -- January 26, 2024



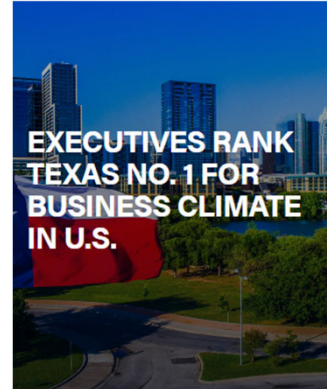
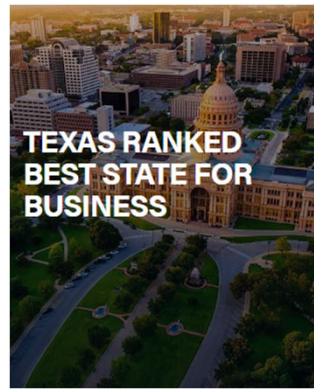
**Texas**



## Gross Domestic Product

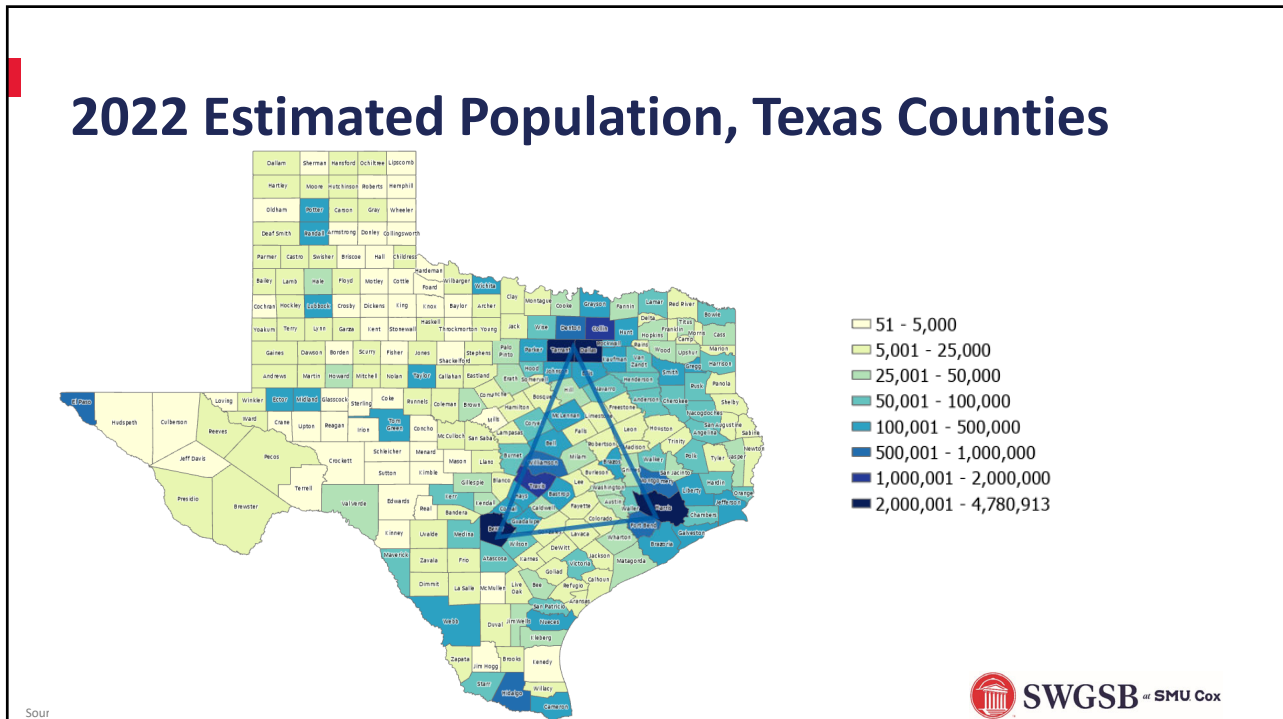
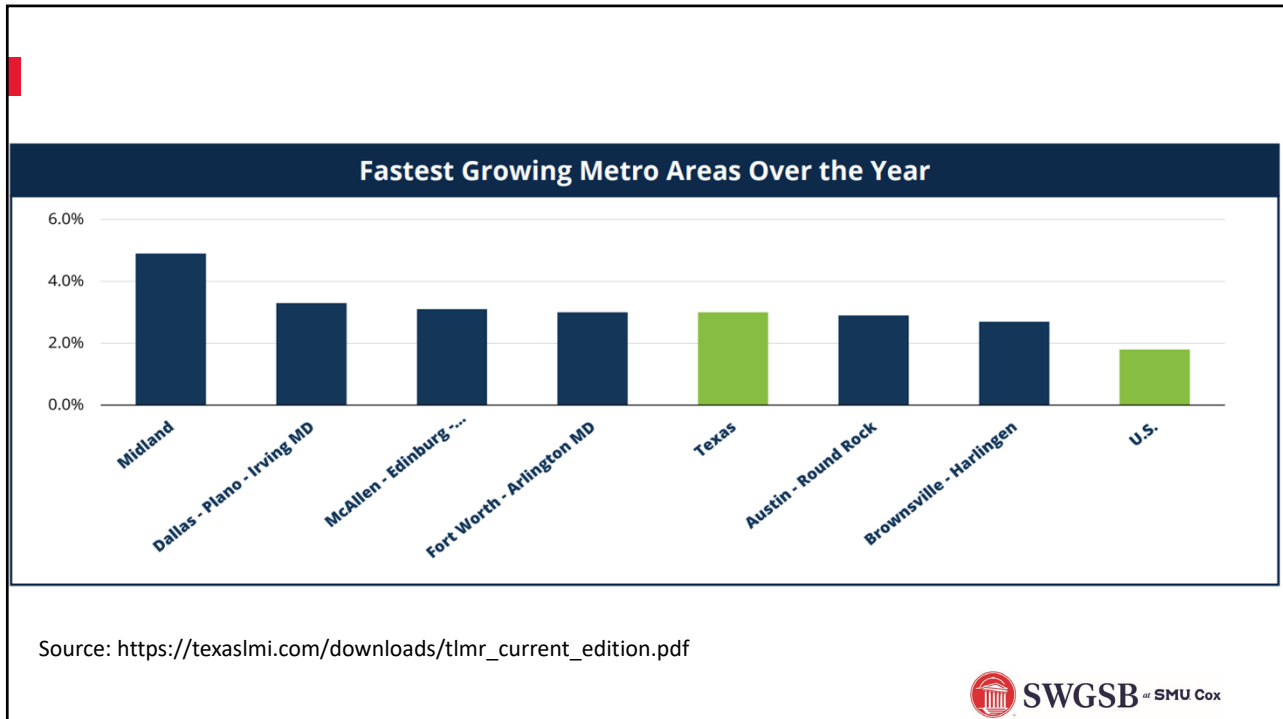
Current \$ GDP 2023: Q3		
	(Millions of \$)	% of U.S.
<b>United States</b>	<b>27,610,128</b>	<b>100.0%</b>
California	3,898,158	14.1%
Texas	2,596,144	9.4%
New York	2,168,133	7.9%
Florida	1,595,347	5.8%
Illinois	1,092,246	4.0%
Pennsylvania	974,558	3.5%
Ohio	880,871	3.2%
Georgia	811,294	2.9%
Washington	808,344	2.9%
New Jersey	806,890	2.9%
<b>Plains</b>	<b>1,710,671</b>	<b>6.2%</b>
<b>New England</b>	<b>1,409,744</b>	<b>5.1%</b>
<b>Rocky Mountain</b>	<b>1,042,557</b>	<b>3.8%</b>

**THE WORLD'S 8TH LARGEST ECONOMY**



Source: <https://businessintexas.com/rankings/>



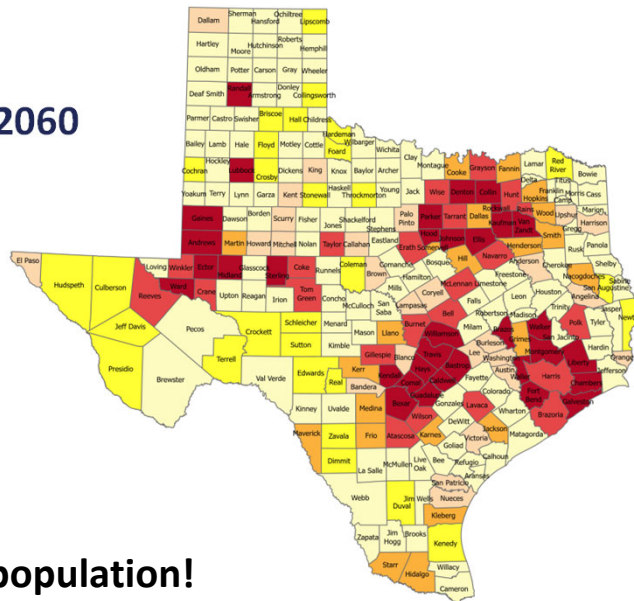




## Projected Percent Population Change, Texas Counties, 2020-2060

Projected Percent Change 2020-2060

- 78.6% - -38.4% (29)
- 38.3% - 0.0% (120)
- 0.1% - 10.0% (26)
- 10.1% - 25.0% (22)
- 25.1% - 50.0% (23)
- 50.1% - 316.1% (34)

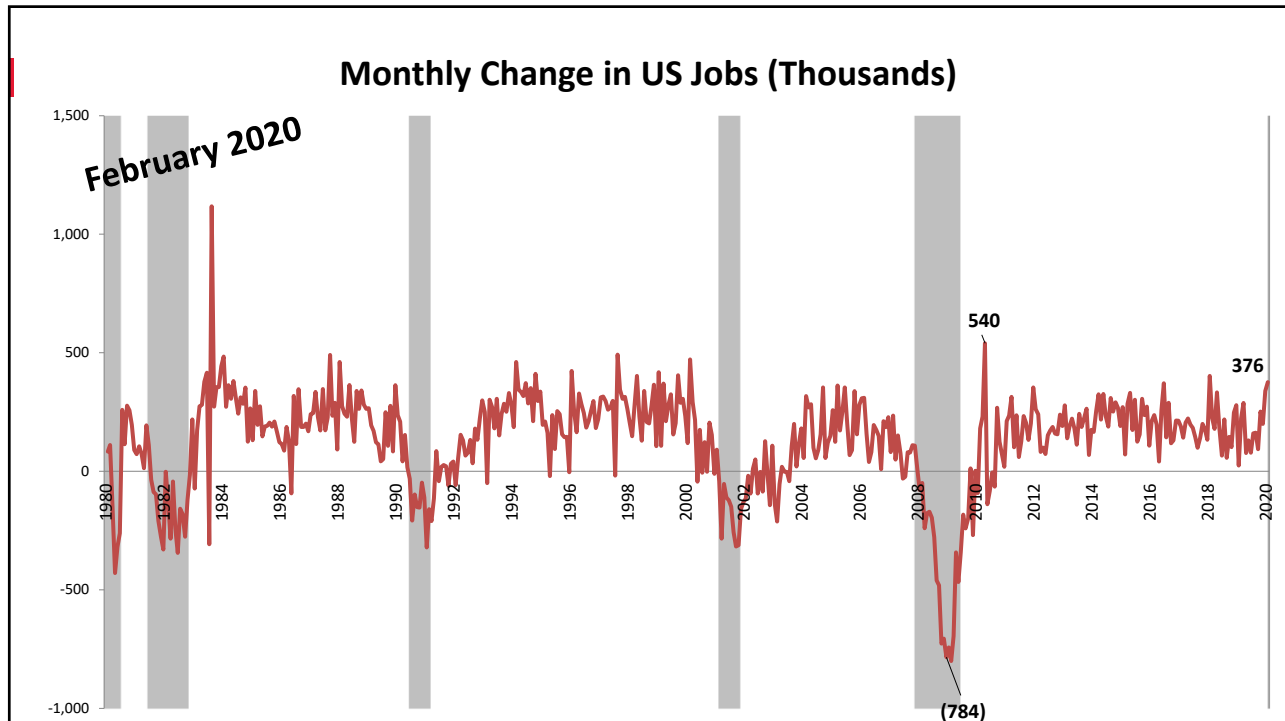
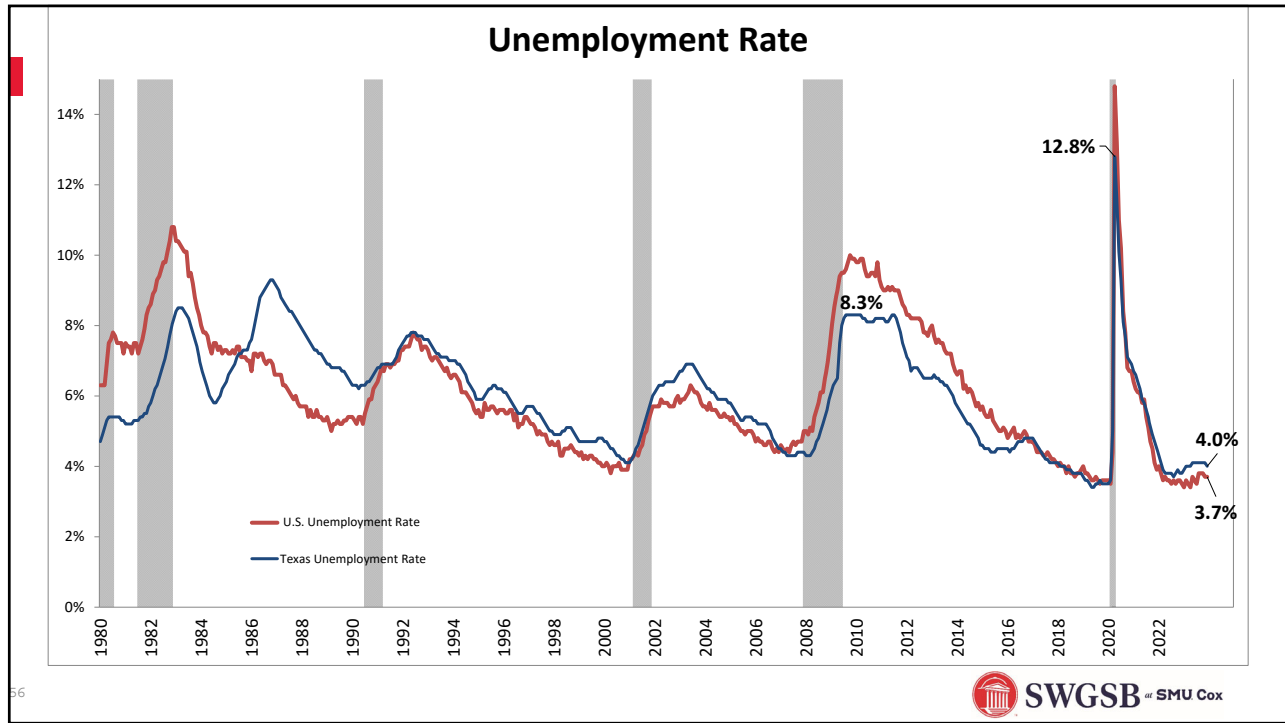


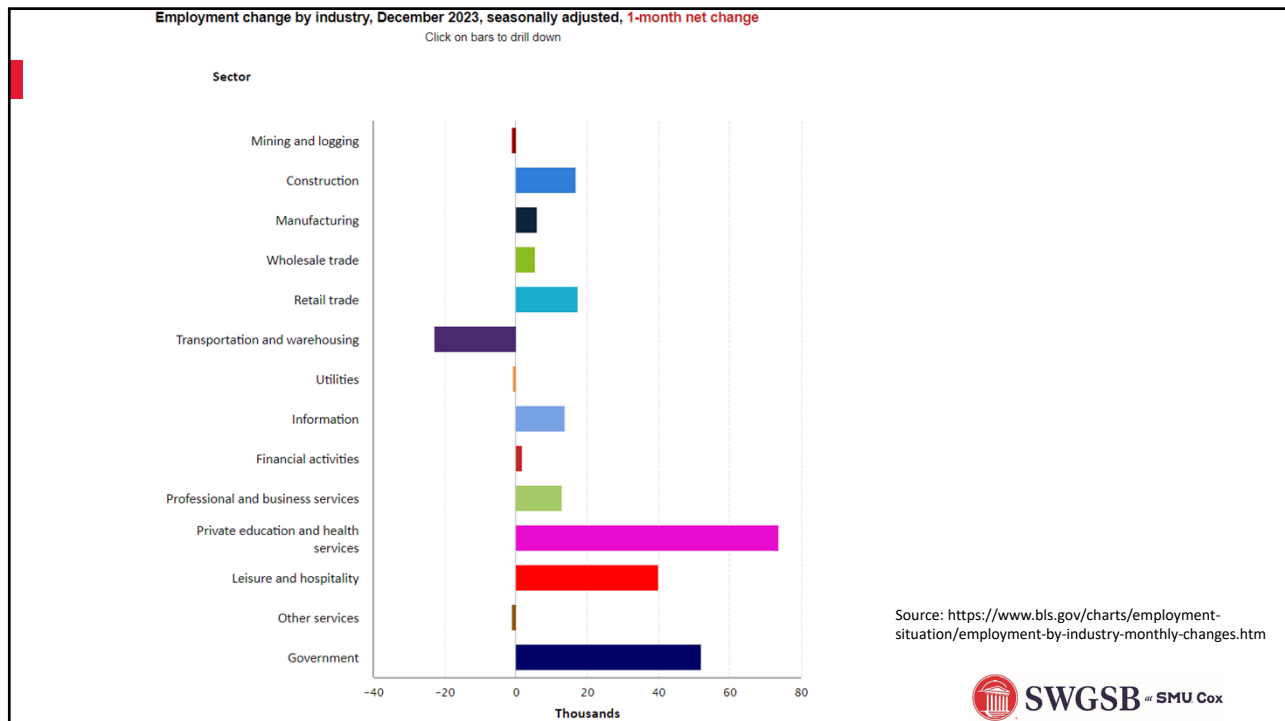
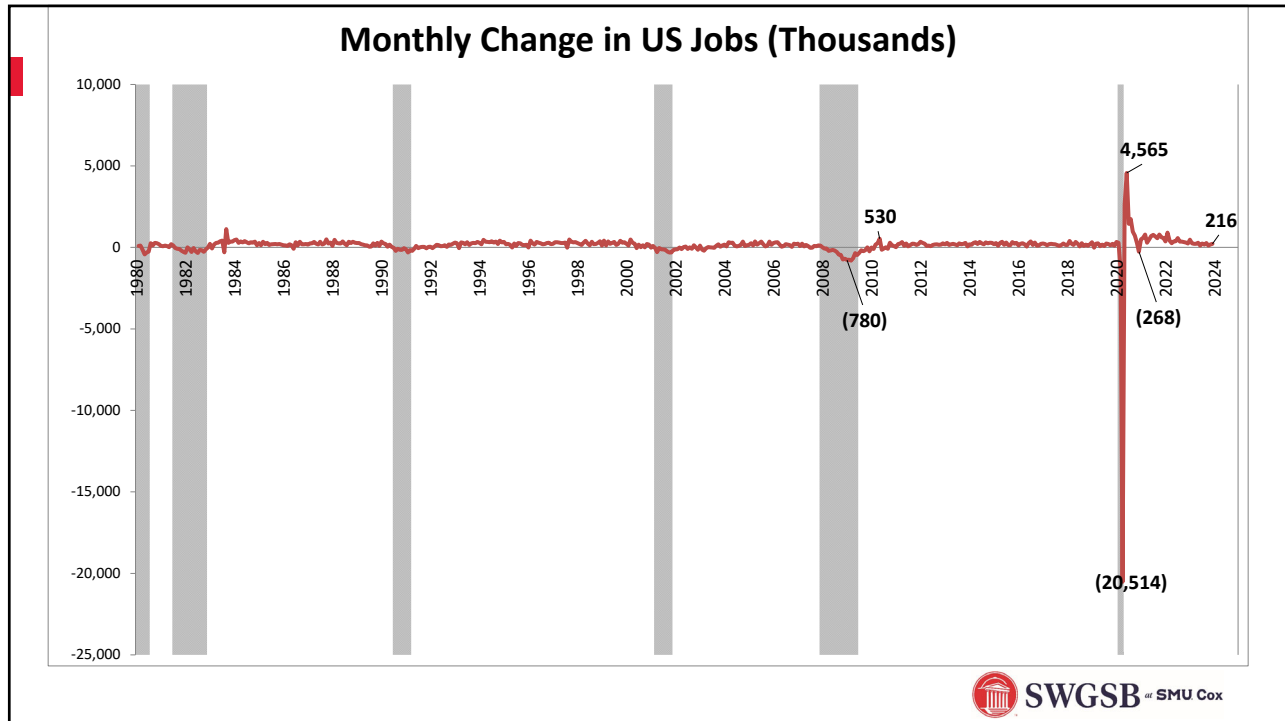
**149 counties forecast to lose population!**

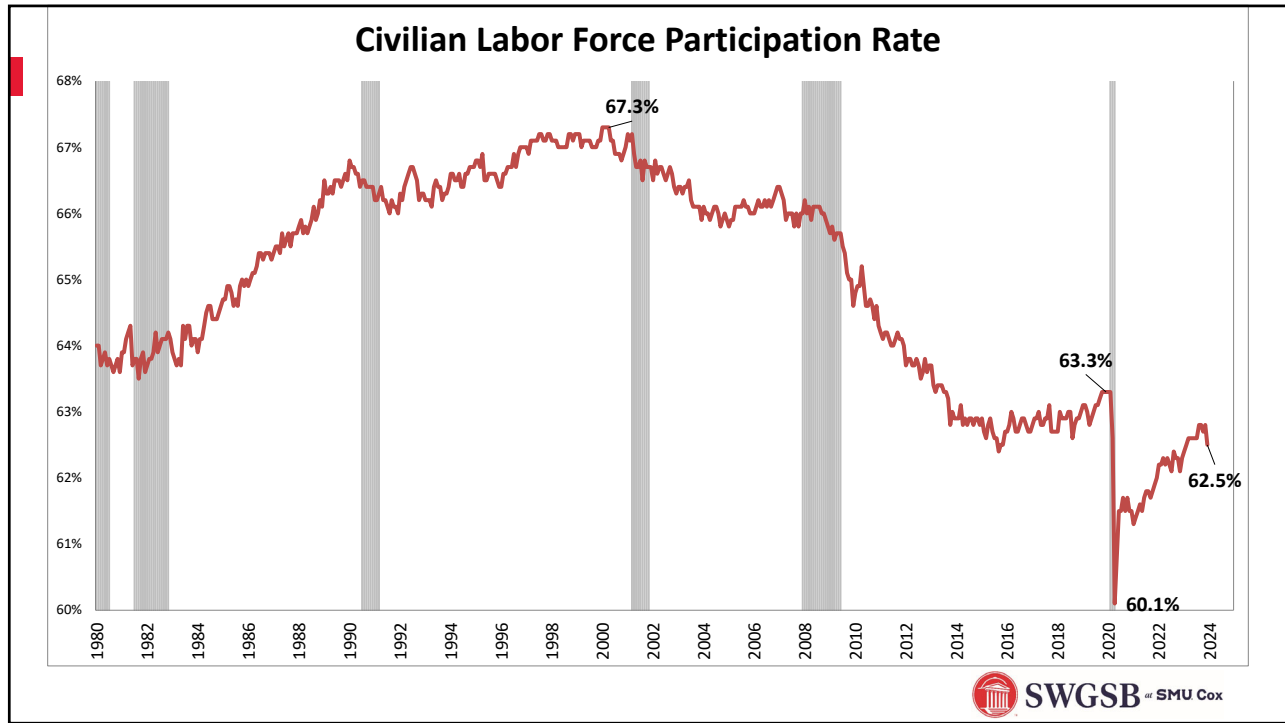


## Employment









### Texas December 2023

**Employed**  
14,594,900

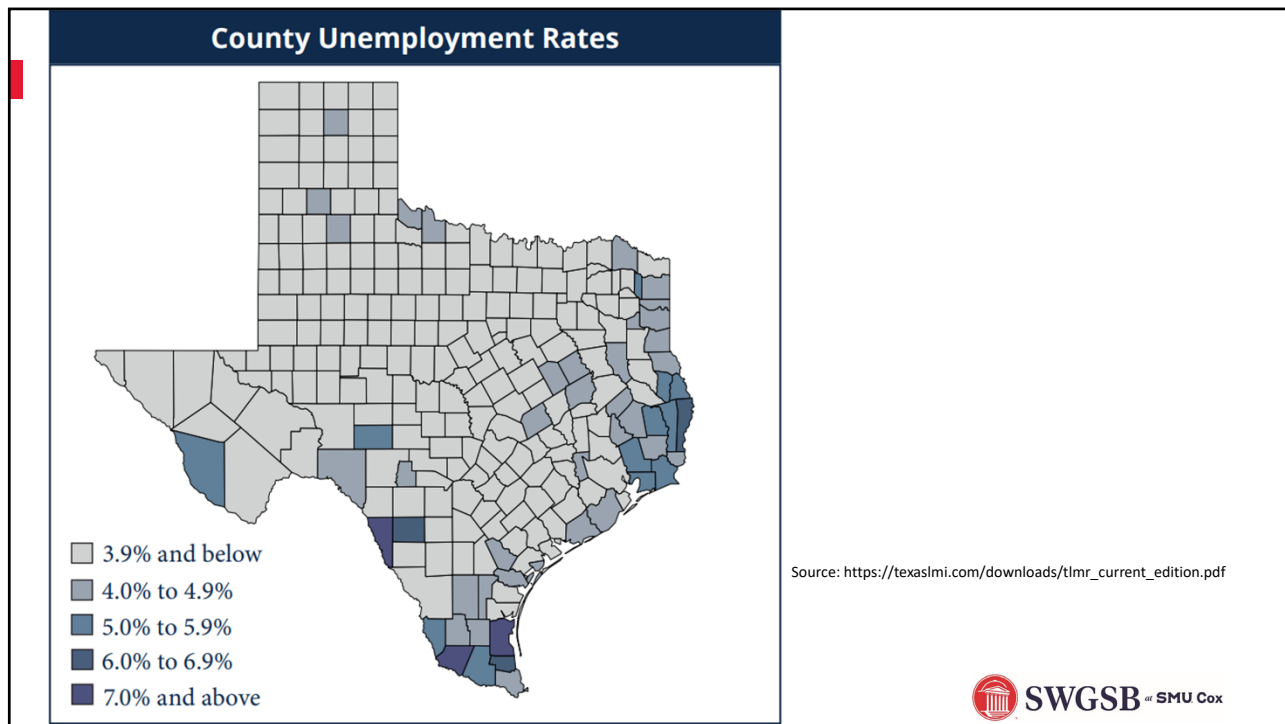
**Unemployed**  
609,000

**4.0%**

Date	CLF	Employment	Unemployment	Rate
December 2023	15,203,900	14,594,900	609,000	4.0
November 2023	15,192,800	14,576,500	616,200	4.1
December 2022	14,706,500	14,145,600	560,900	3.8

[https://texaslmi.com/downloads/tlmr\\_current\\_edition.pdf](https://texaslmi.com/downloads/tlmr_current_edition.pdf)

SWGSB at SMU Cox



Top Employers by Postings		Top Occupations by Postings	
Employer	Dec 2023	Occupation	Dec 2023
Dollar General	4,432	Registered Nurses	20,850
The University of Texas System	3,389	Retail Salespersons	19,528
HCA Healthcare	3,178	First-Line Supervisors of Retail Sales Workers	12,981
Houston Methodist	2,934	Sales Representatives (except Technical and Scientific Products)	12,491
State Of Texas	2,658	Fast Food and Counter Workers	9,538
Walmart	2,351	Customer Service Representatives	9,431
Baylor Scott & White Health	2,132	Maintenance and Repair Workers, General	7,268
Medical City Healthcare	2,126	Software Developers	7,237
CHRISTUS Health	2,013	Managers, All Other	7,202
Texas Health Resources	1,852	Food Service Managers	6,327

# Price Levels



# THE WALL STREET JOURNAL.

## U.S. Inflation Hits New Four-Decade High of 9.1%

Prices up broadly across the economy, with gasoline far outpacing other categories

*By Gabriel T. Rubin*  
Updated July 13, 2022 7:07 pm ET



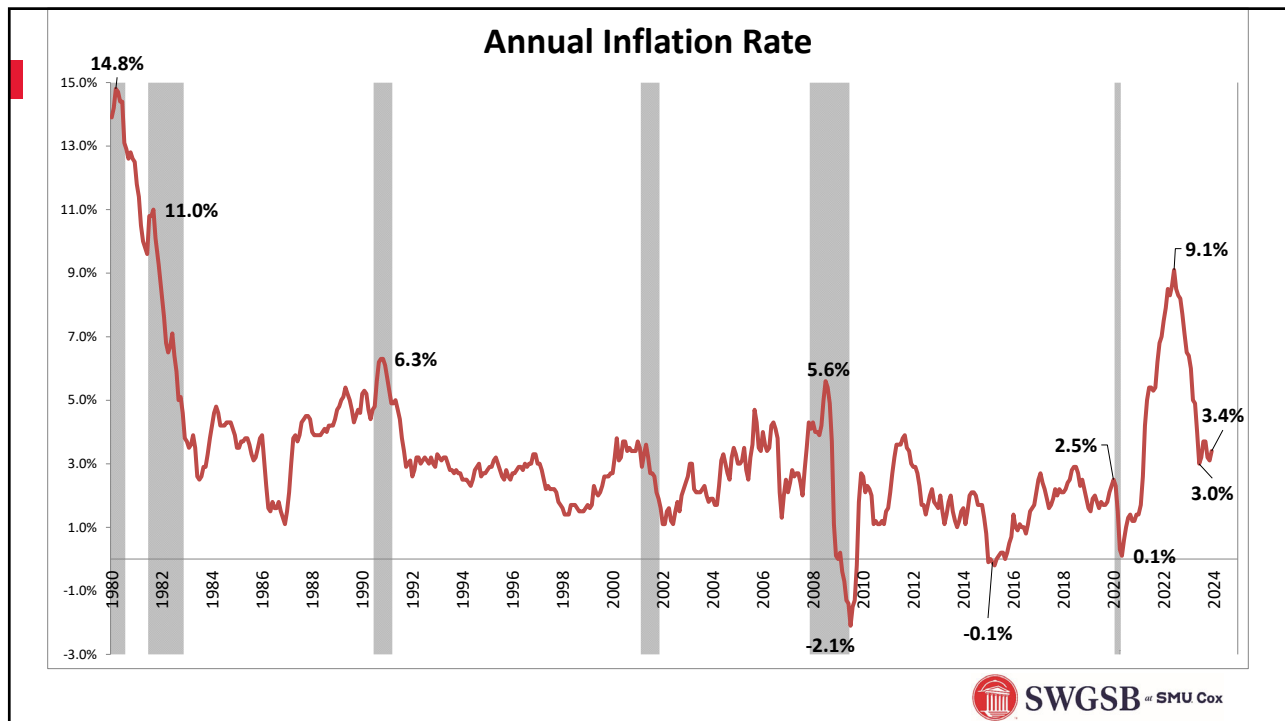
# THE WALL STREET JOURNAL.

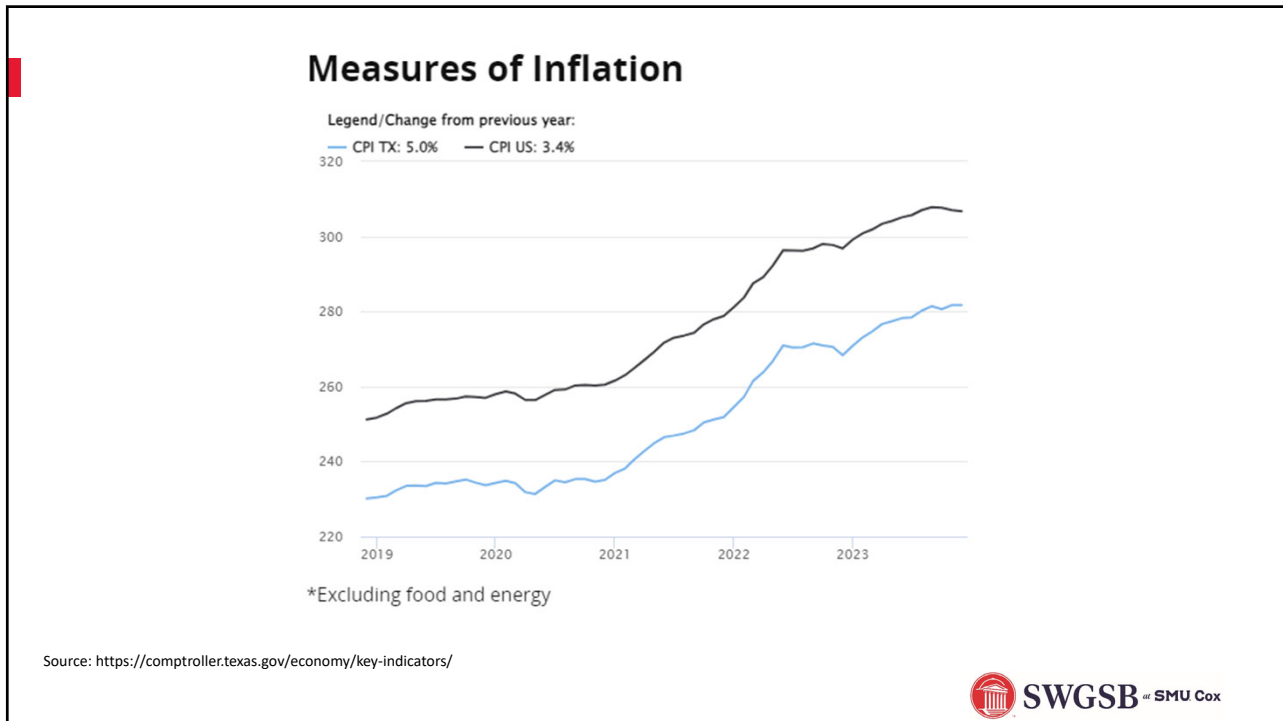
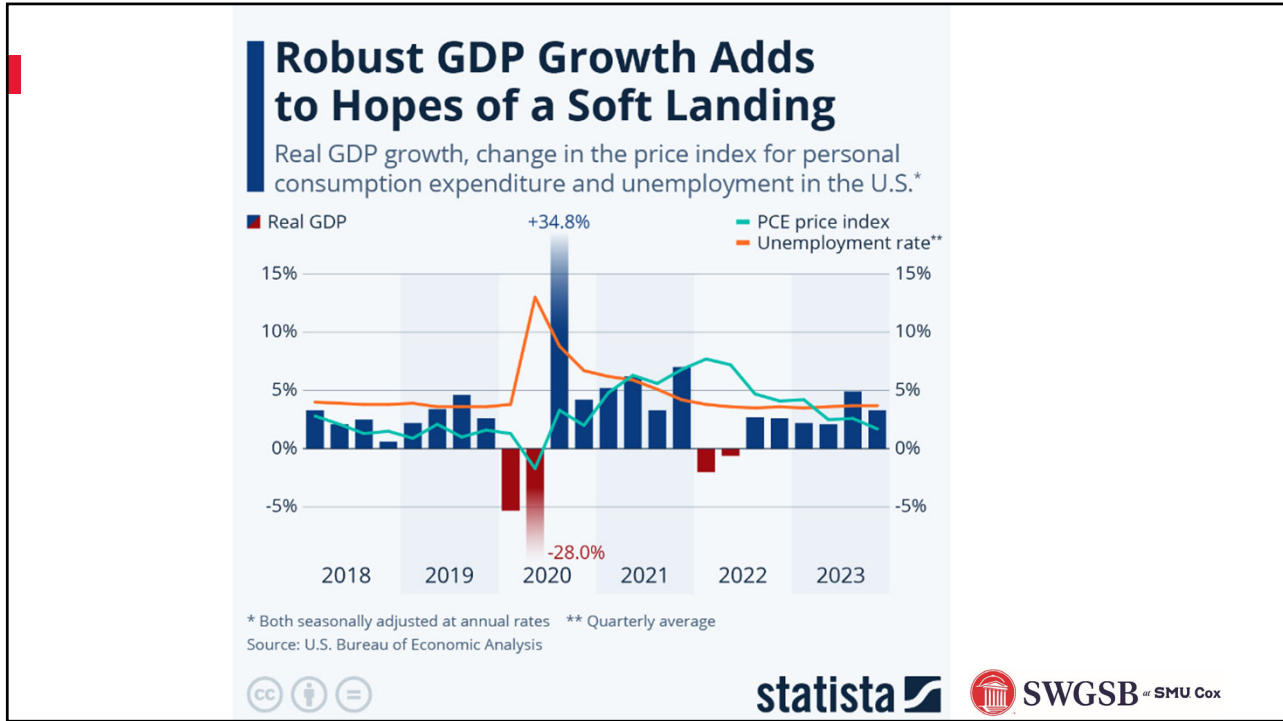
## Cooler Inflation Keeps Door Open for Rate Cuts This Year

Price pressures moderated while consumers stepped up spending late last year

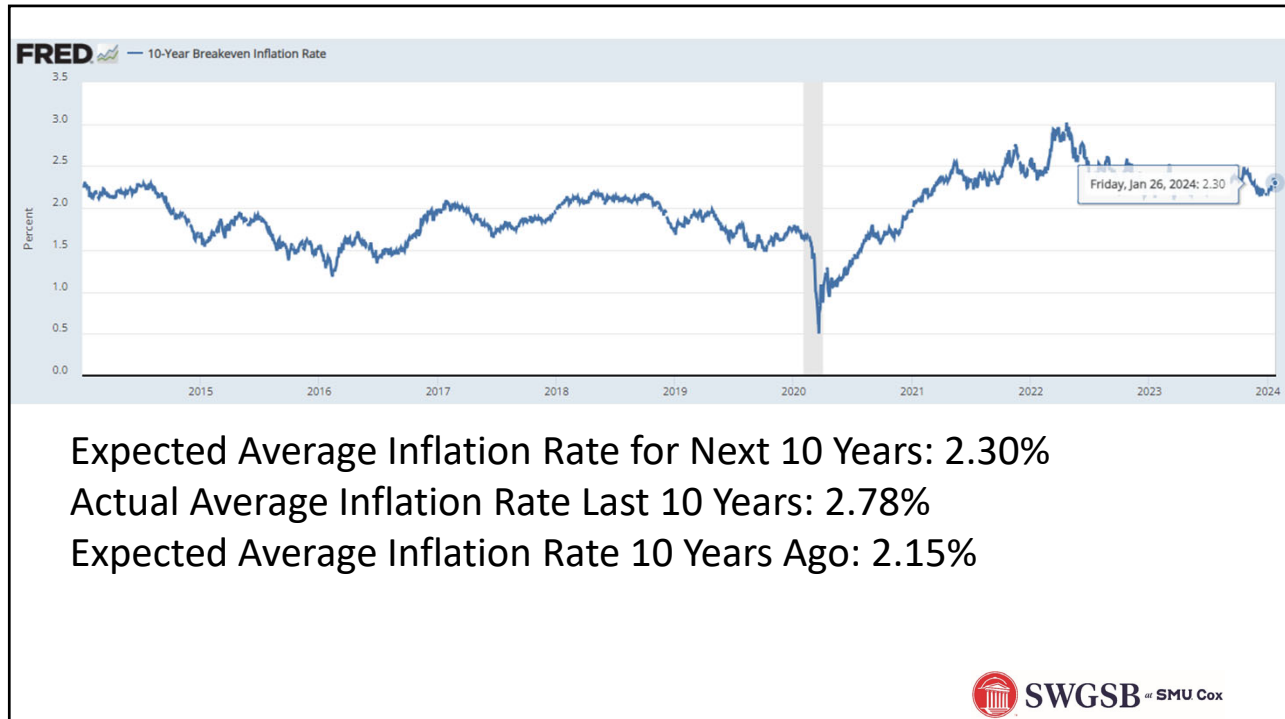
By [Harriet Torry](#) [Follow](#) and [Nick Timiraos](#) [Follow](#)

Updated Jan. 26, 2024 1:15 pm ET

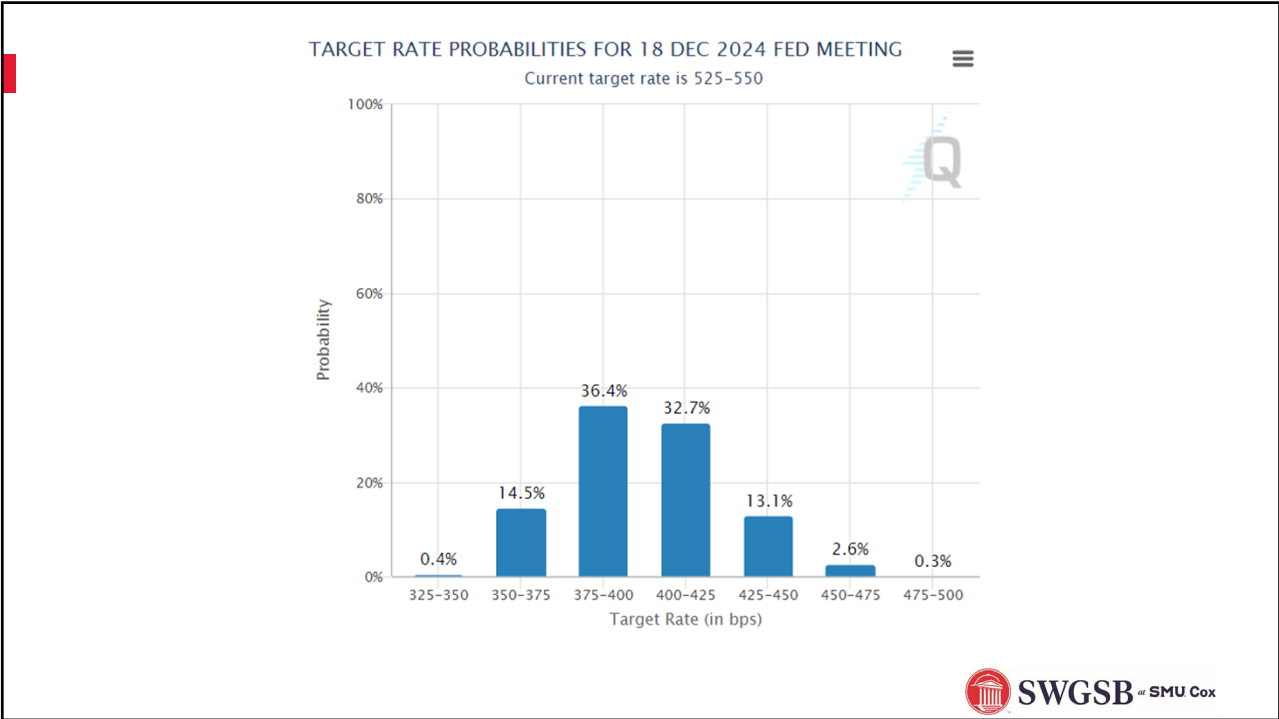
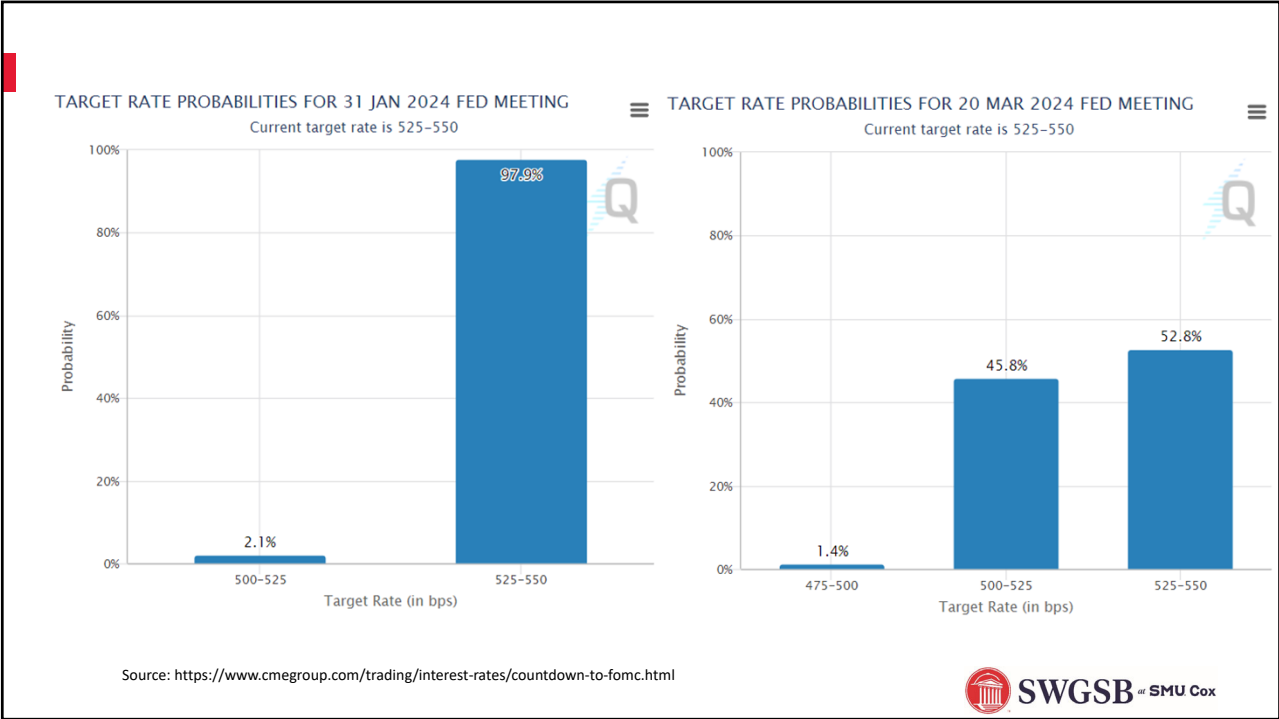


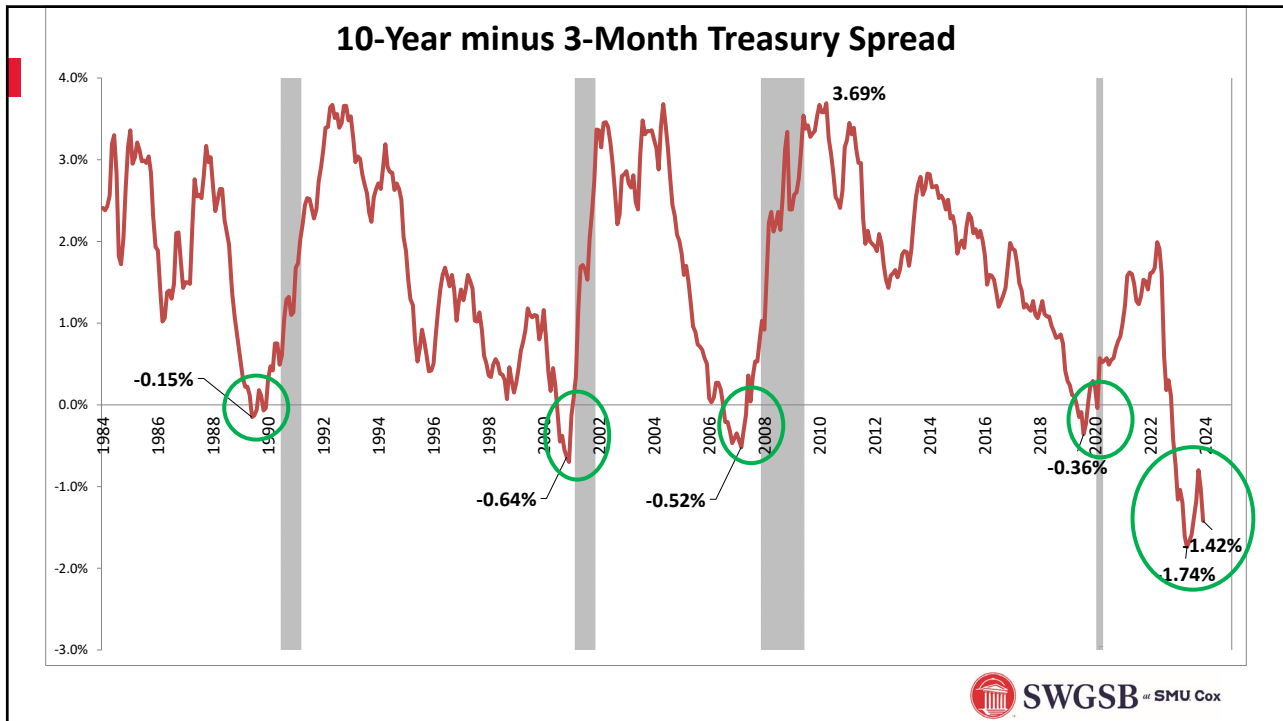
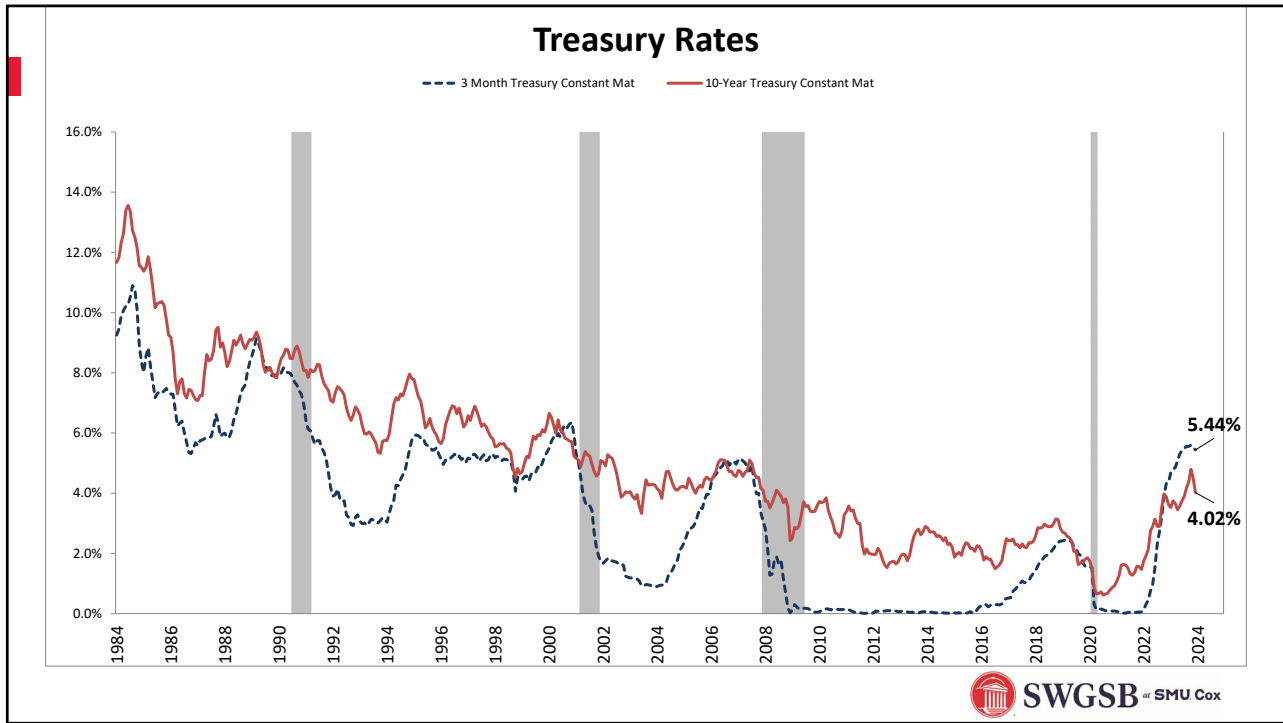


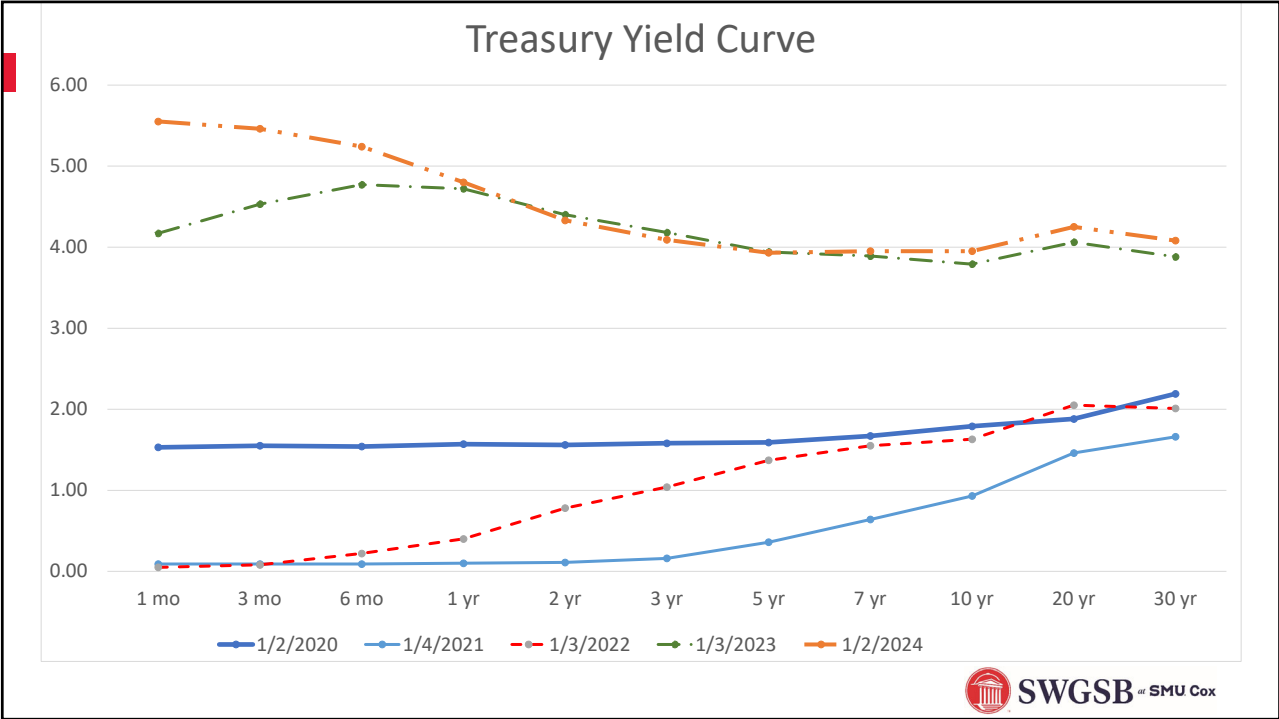




## Interest Rates







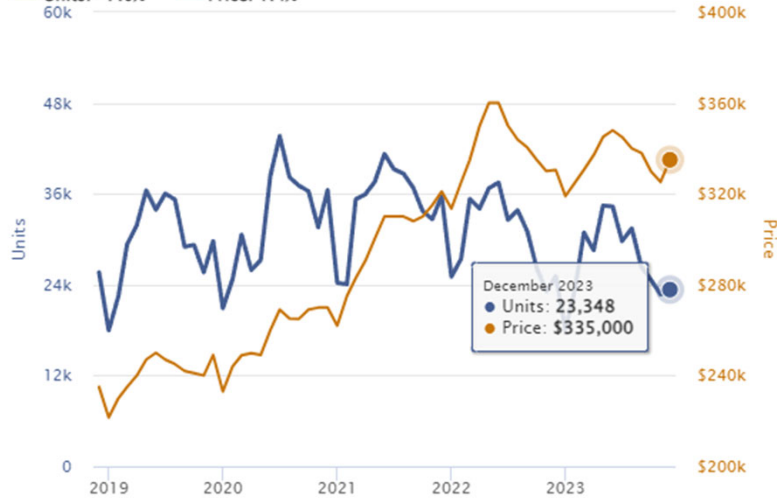
# Housing Market

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## TX Home Sales

Legend/Change from previous year:

Units: -7.0% Price: 1.4%



Source: <https://comptroller.texas.gov/economy/key-indicators/>



Zillow Home Value Index

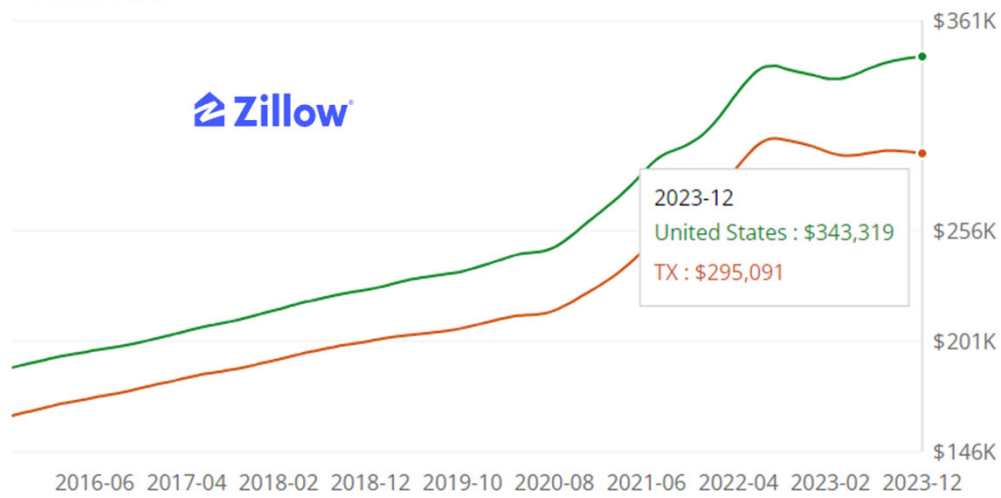
Single family

1-yr

5-yr

Max

United States TX



Source: <https://www.zillow.com/home-values/>





## Impact of higher mortgage rates

- **Size of Mortgage: \$350,000**
  - **Payment on 30 Year Mortgage**
    - **Monthly P&I: \$2,256 @ 6.69% - Today**
    - **Monthly P&I: \$1,581 @ 3.55% - 2 years ago**
      - **\$675/month difference**

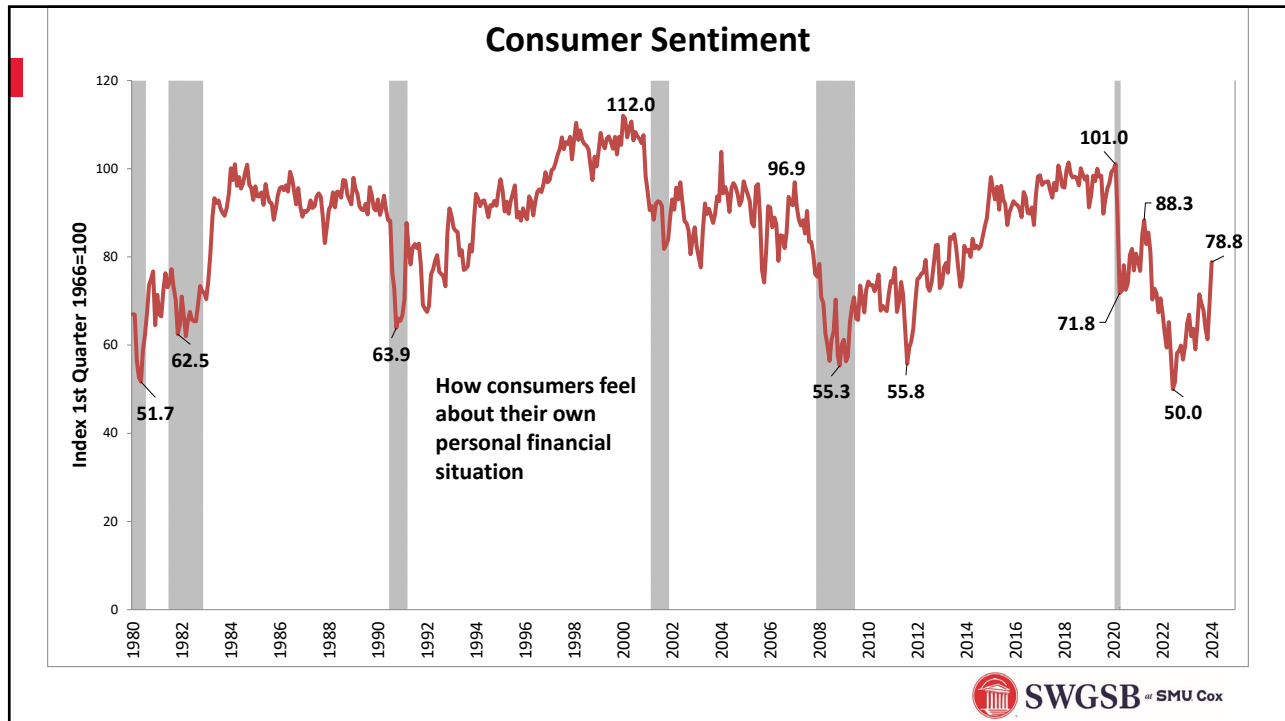
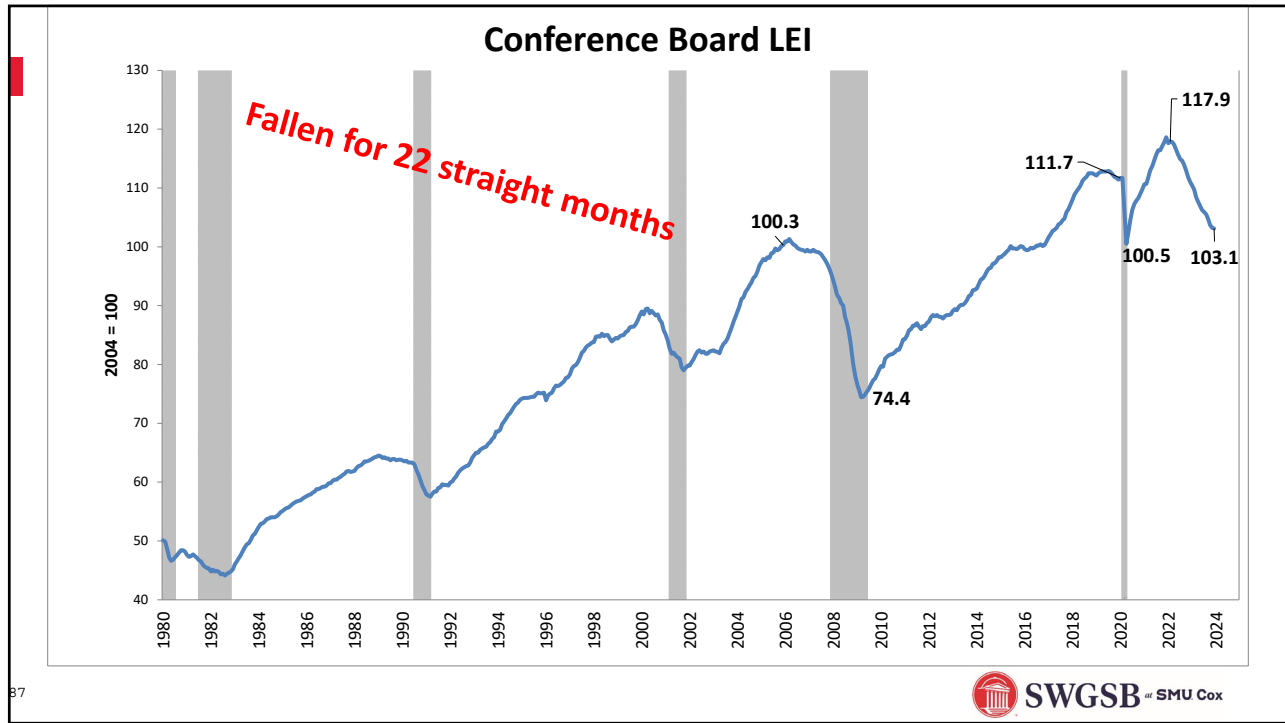
## Impact of higher mortgage rates

- **Maximum Monthly P&I: \$1,500**
  - **Largest 30 Year Mortgage**
    - \$331,976 @ 3.55%
    - \$232,697 @ 6.69%
    - \$99,279 difference

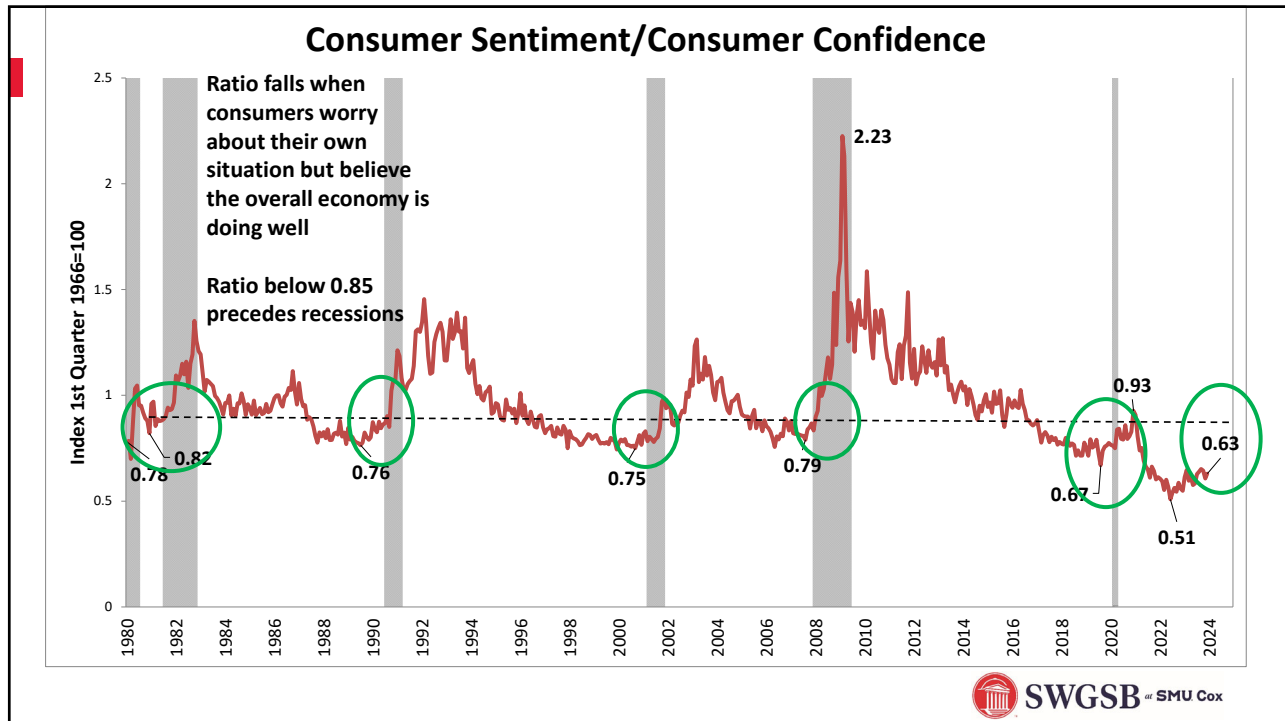
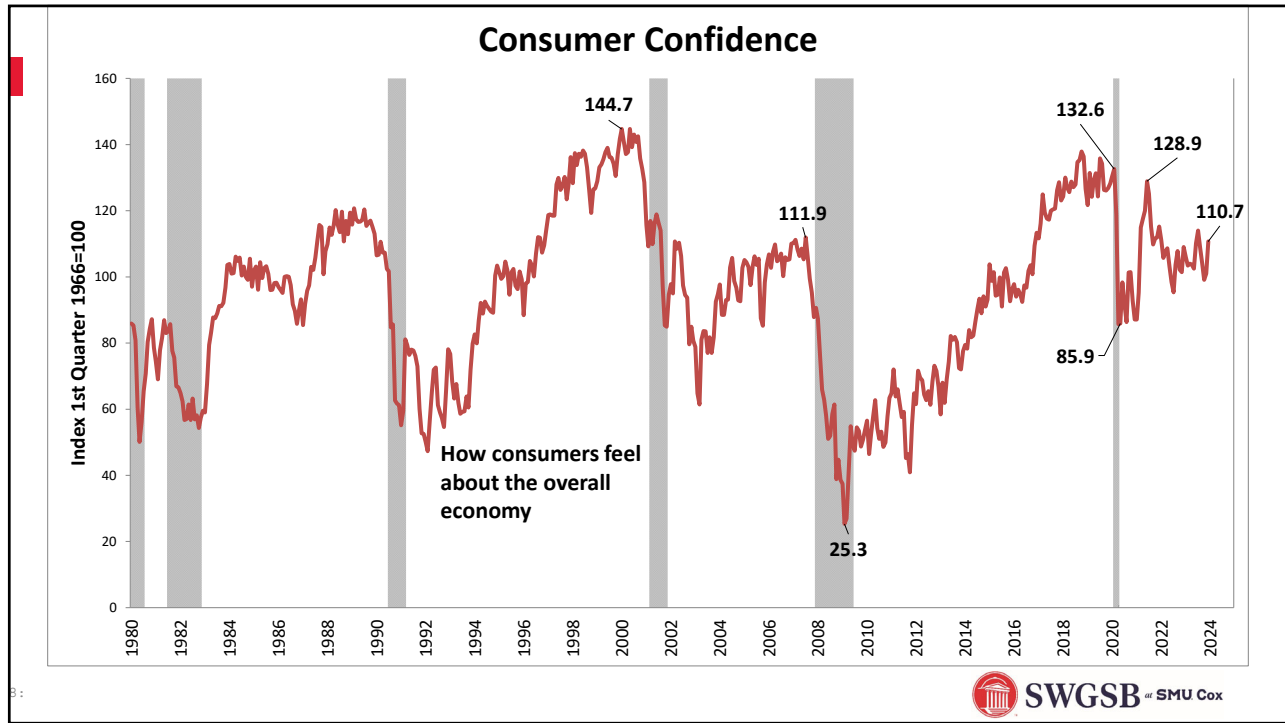


## Are we headed for a recession?







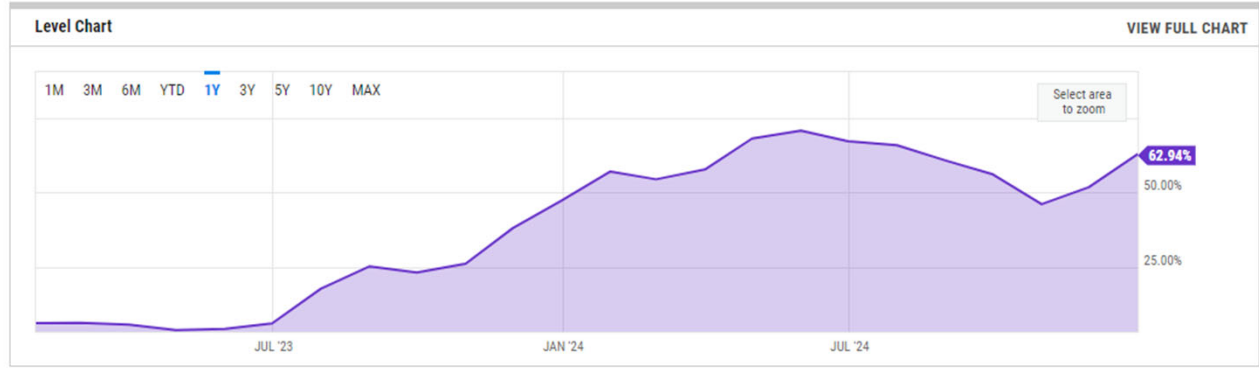


### US Recession Probability (I:USRPEM)

62.94% for Dec 2024

Overview

Interactive Chart



Source: [https://ycharts.com/indicators/us\\_recession\\_probability](https://ycharts.com/indicators/us_recession_probability)



EXCLUSIVE ECONOMY

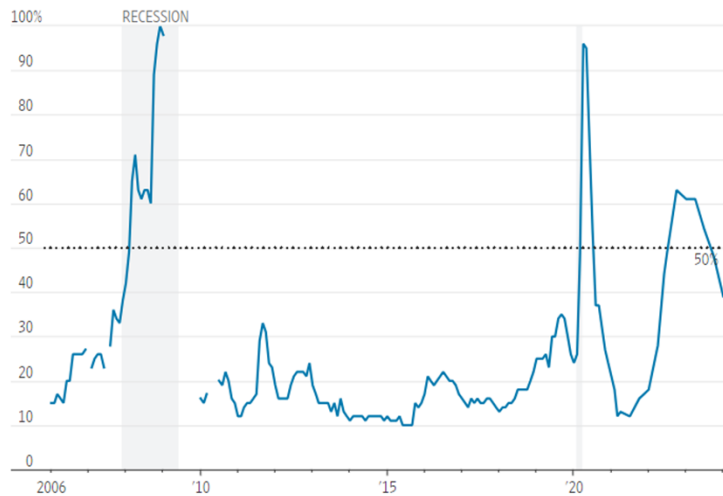
## It Won't Be a Recession—It Will Just Feel Like One

Economists, in survey, pare back probability of recession, but still see anemic growth and rising unemployment in 2024

By Harriet Torry [Follow](#) and Anthony DeBarros [Follow](#)

Jan. 14, 2024 5:30 am ET

Probability the U.S. is in a recession in next 12 months including today



Note: Average of economists' answers. Gaps indicate question not asked or data unavailable.  
Source: Wall Street Journal surveys of economists

# Questions?



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