

# SPENDING PATTERNS AND ECONOMIC IMPACTS OF MEXICAN NATIONALS ON EL PASO: A COMPARISON TO CENTRAL AND SOUTH TEXAS, 2010-2012

Presented to: ICSC West Texas Idea Exchange



Presented on:  
April 22, 2015

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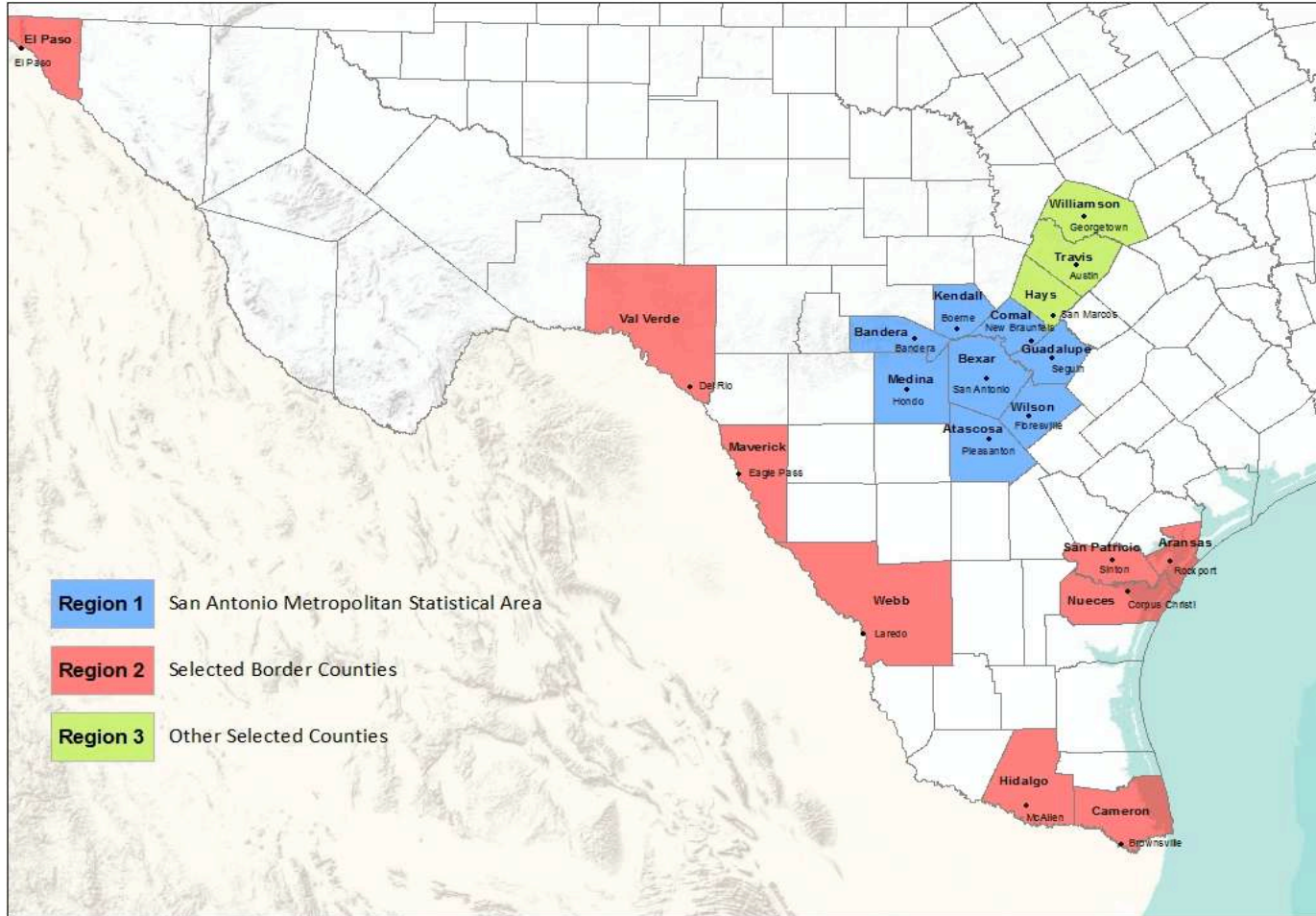
# Data & Methodology

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- Core data: Visa card spending by month
- Time period: 2010-2012
- Spending by category based on survey results reported in other studies
  - Does not capture real estate purchases or business investments
- Economic impacts calculated using IMPLAN input-output model
- 20-county region

# 20-County Region

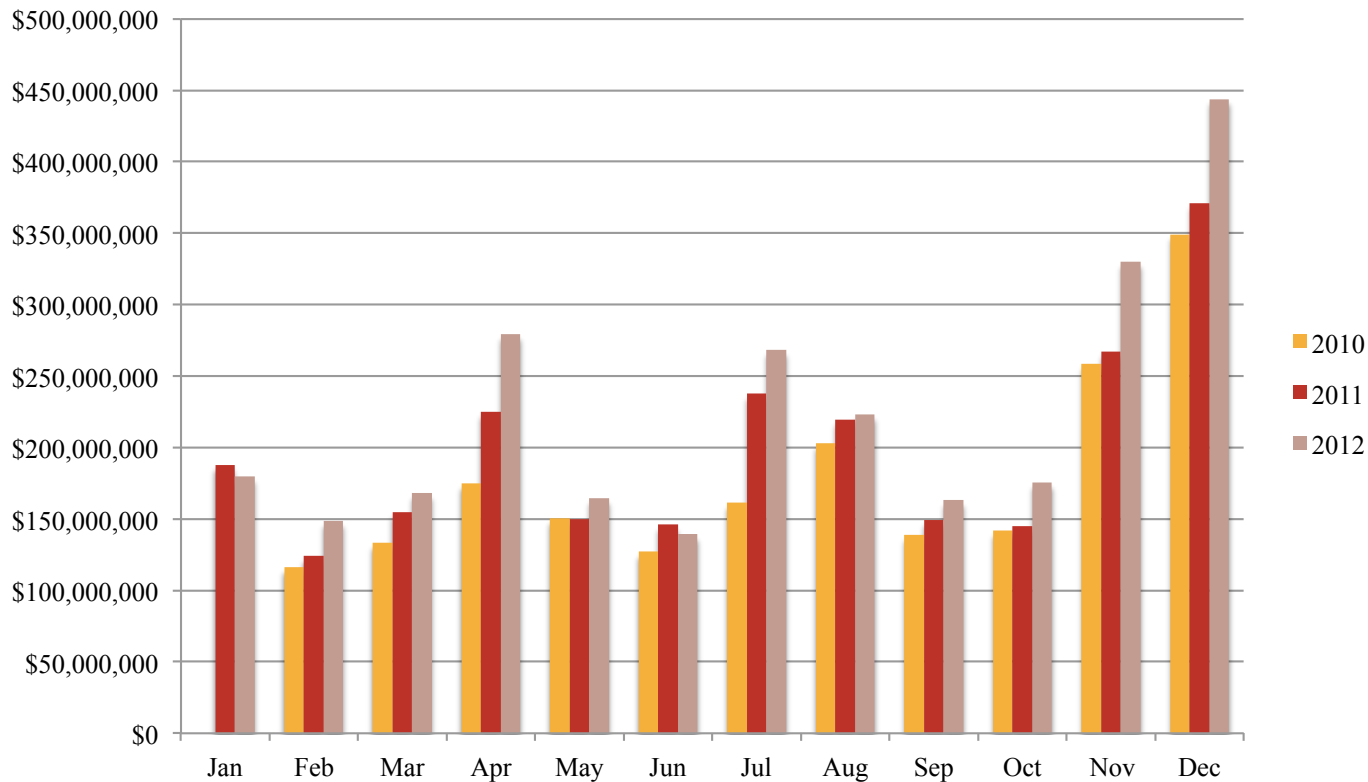
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# Spending in the region is substantial and growing

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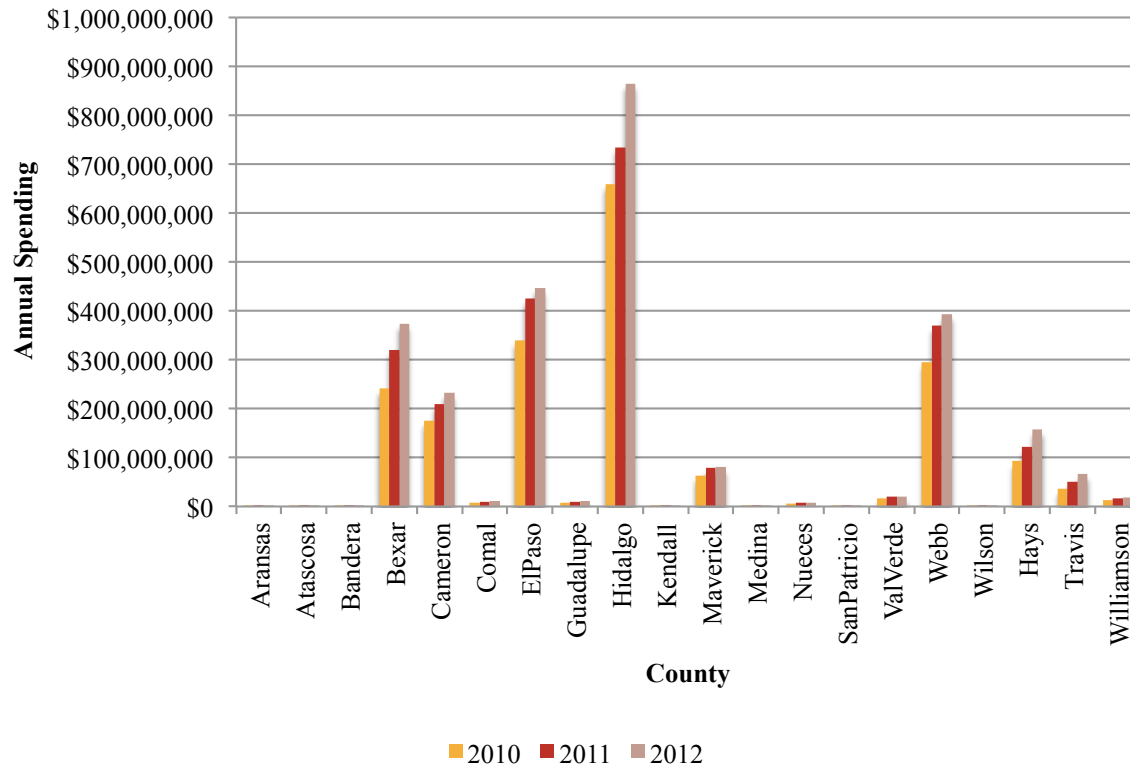
### Total Spending by Mexican Nationals Across 20-County Area



**Total Spending**  
**2011: \$2.4B**  
**2012: \$2.7B**

# Counties along border with MX, Bexar, and Central TX see largest amount of activity

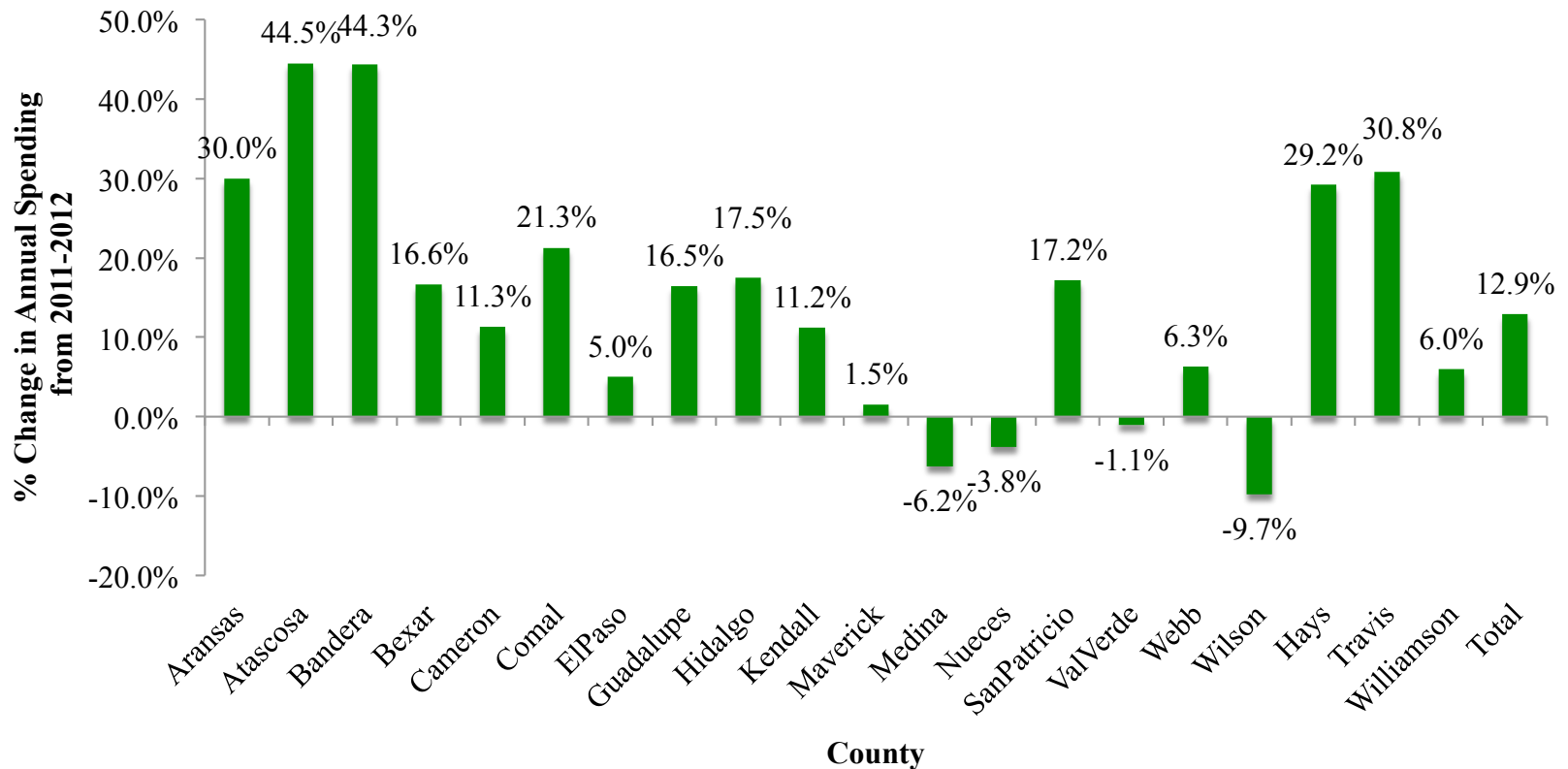
**Total Annual Spending by Mexican Nationals by County**  
(January data not available in 2010)



County	Total Spending (2012)
Hidalgo	\$863,089,738
El Paso	\$445,991,683
Webb	\$392,629,269
Bexar	\$373,995,021
Cameron	\$232,317,331
Hays	\$157,625,455
Travis	\$66,977,248

# Mexican nationals spending increased across most counties from 2011-2012

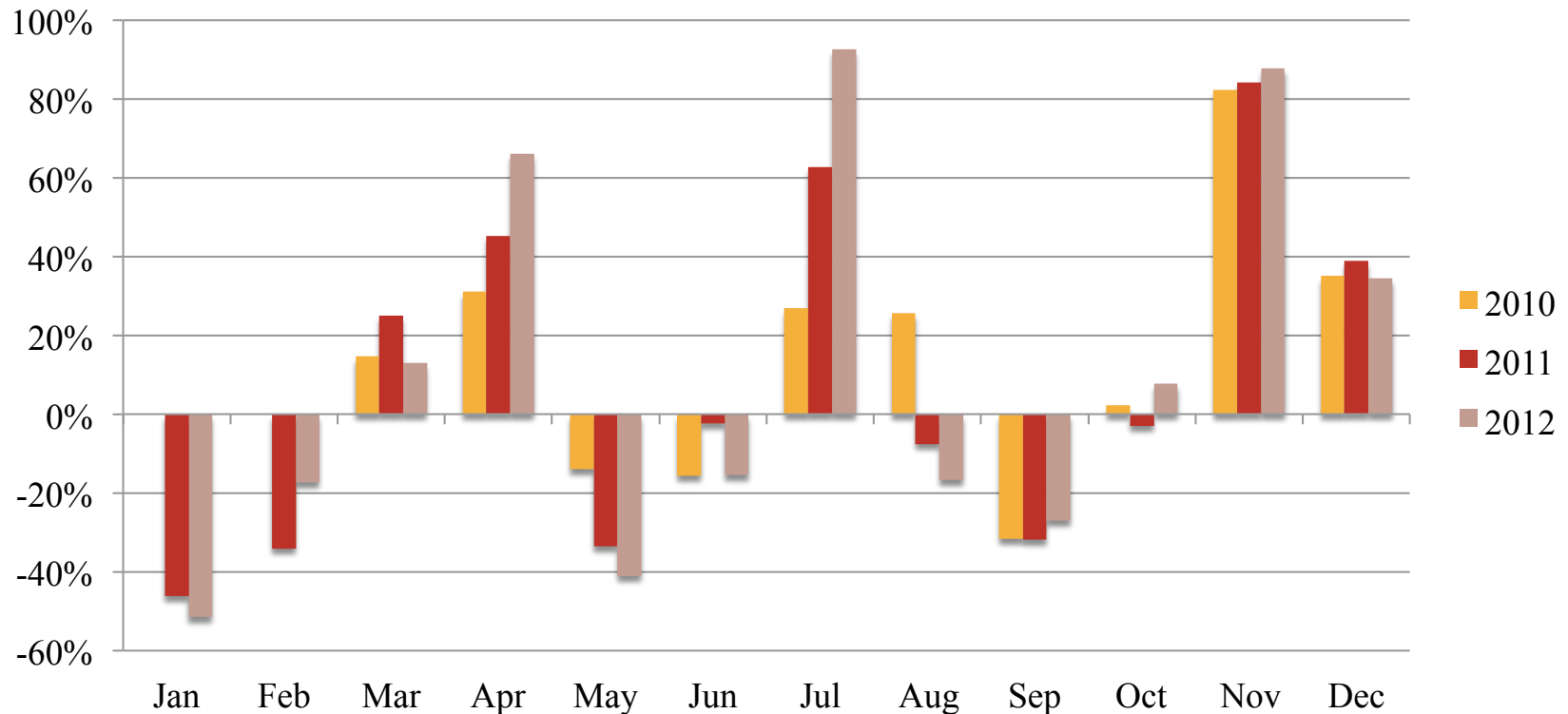
### Growth of Spending by Mexican Nationals: 2011-2012



# Big increases in spending during months with major holidays

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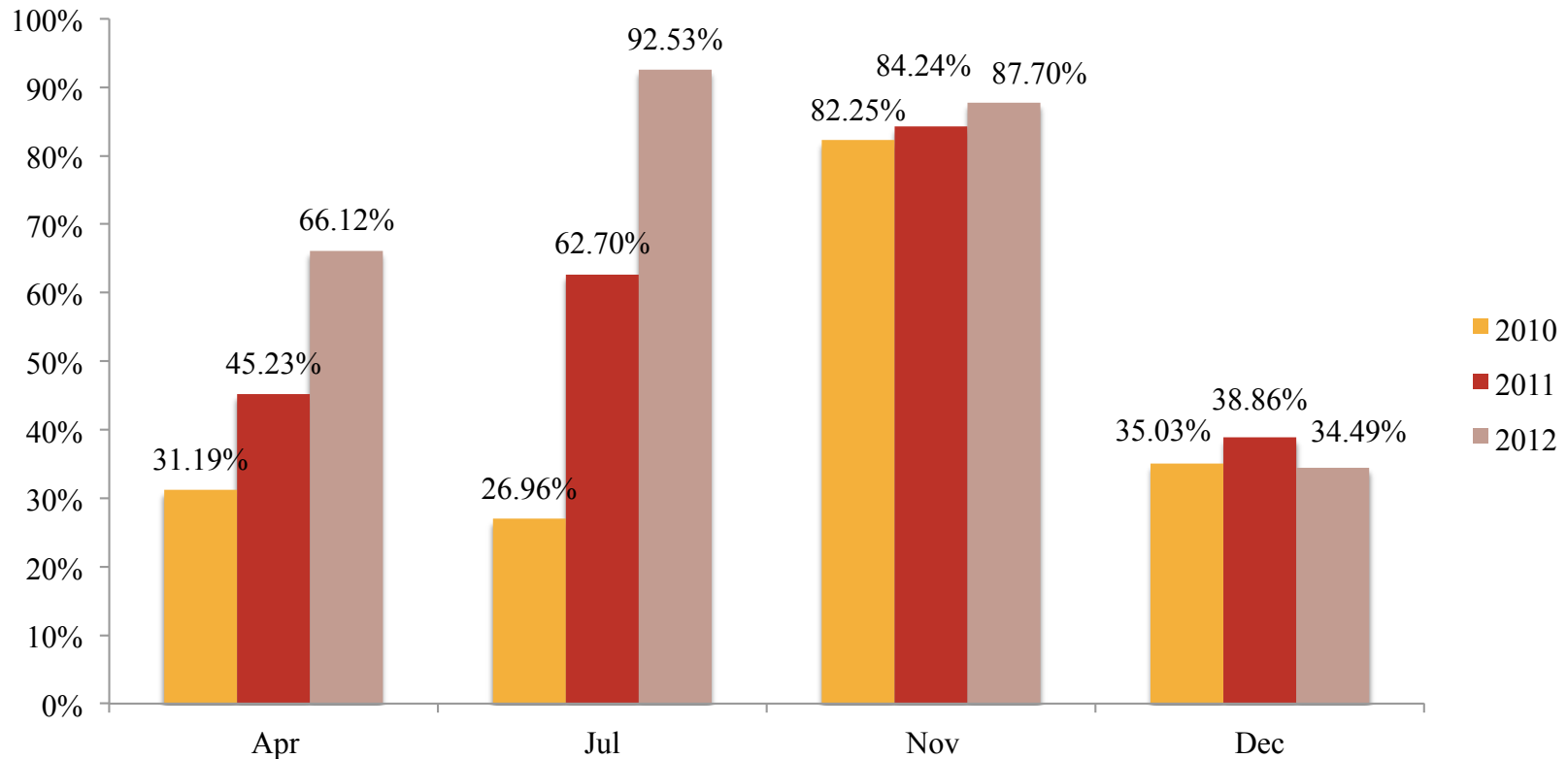
**Month-to-Month Percentage Change in Mexican Nationals Spending  
Across 20-County Area**



# Spending growth around holidays has been increasing

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**Month-to-Month Percentage Change in Mexican Nationals Spending Across 20-County Area for Select Months**

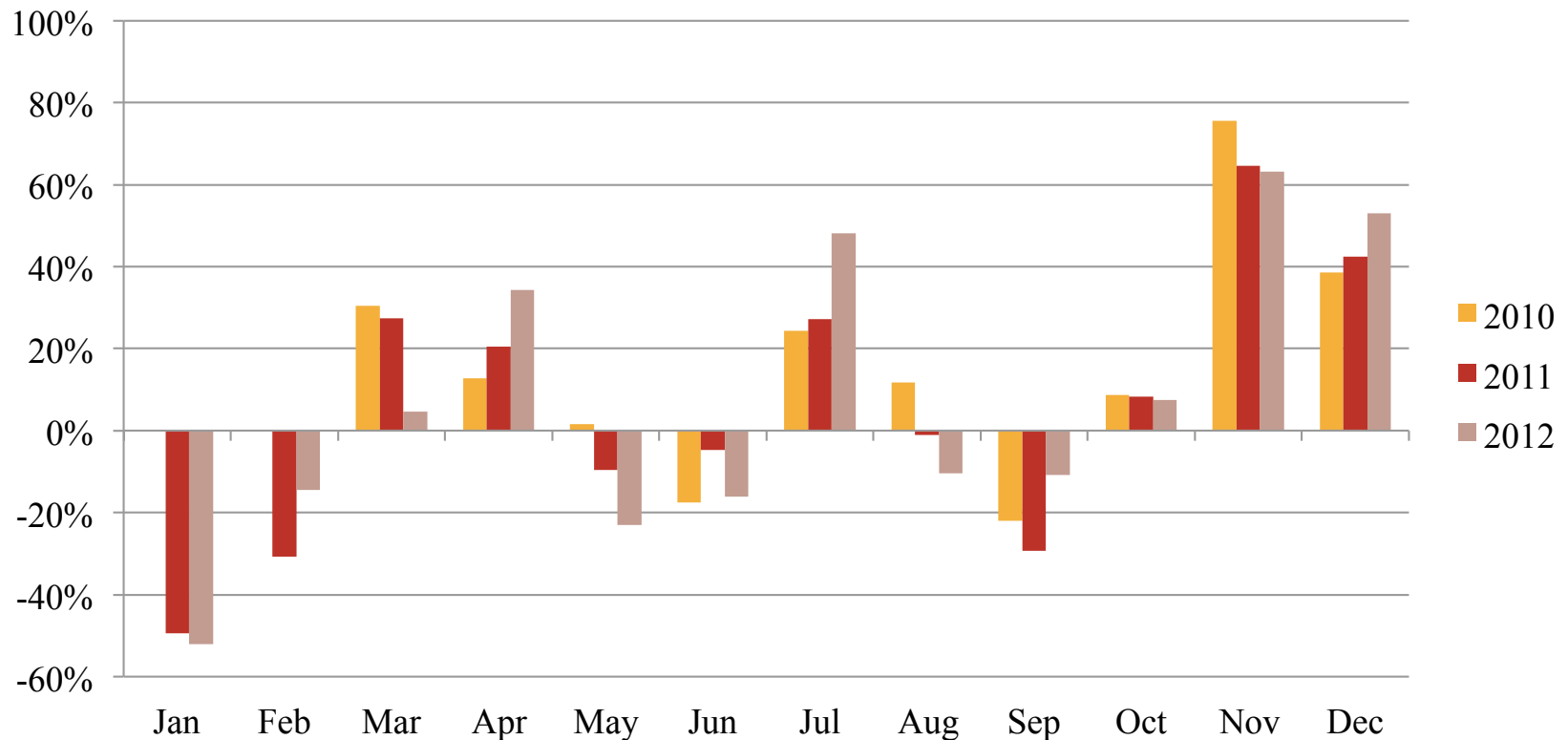




# Big increases in spending during months with major holidays in El Paso, too

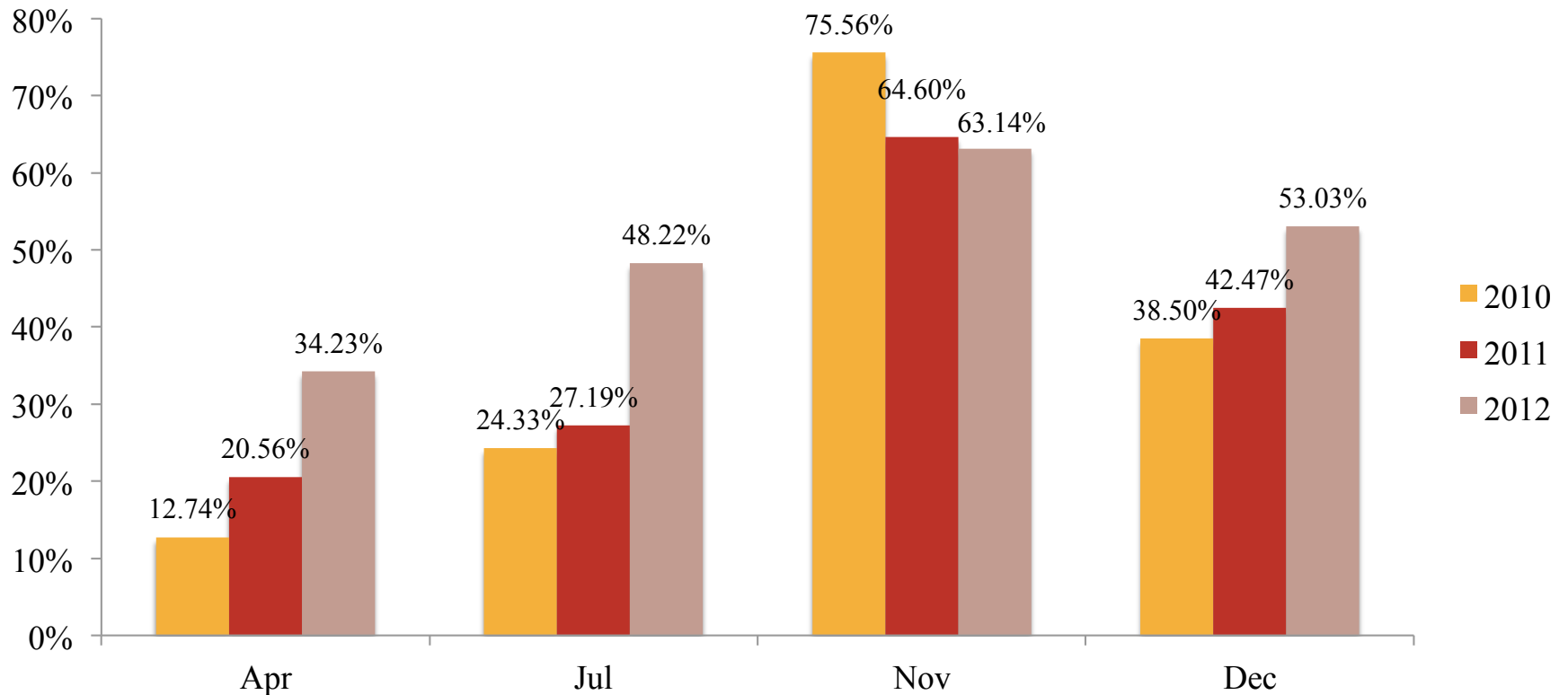
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**Month-to-Month Percentage Change in Mexican Nationals Spending in El Paso**



# Similar holiday spending pattern in El Paso

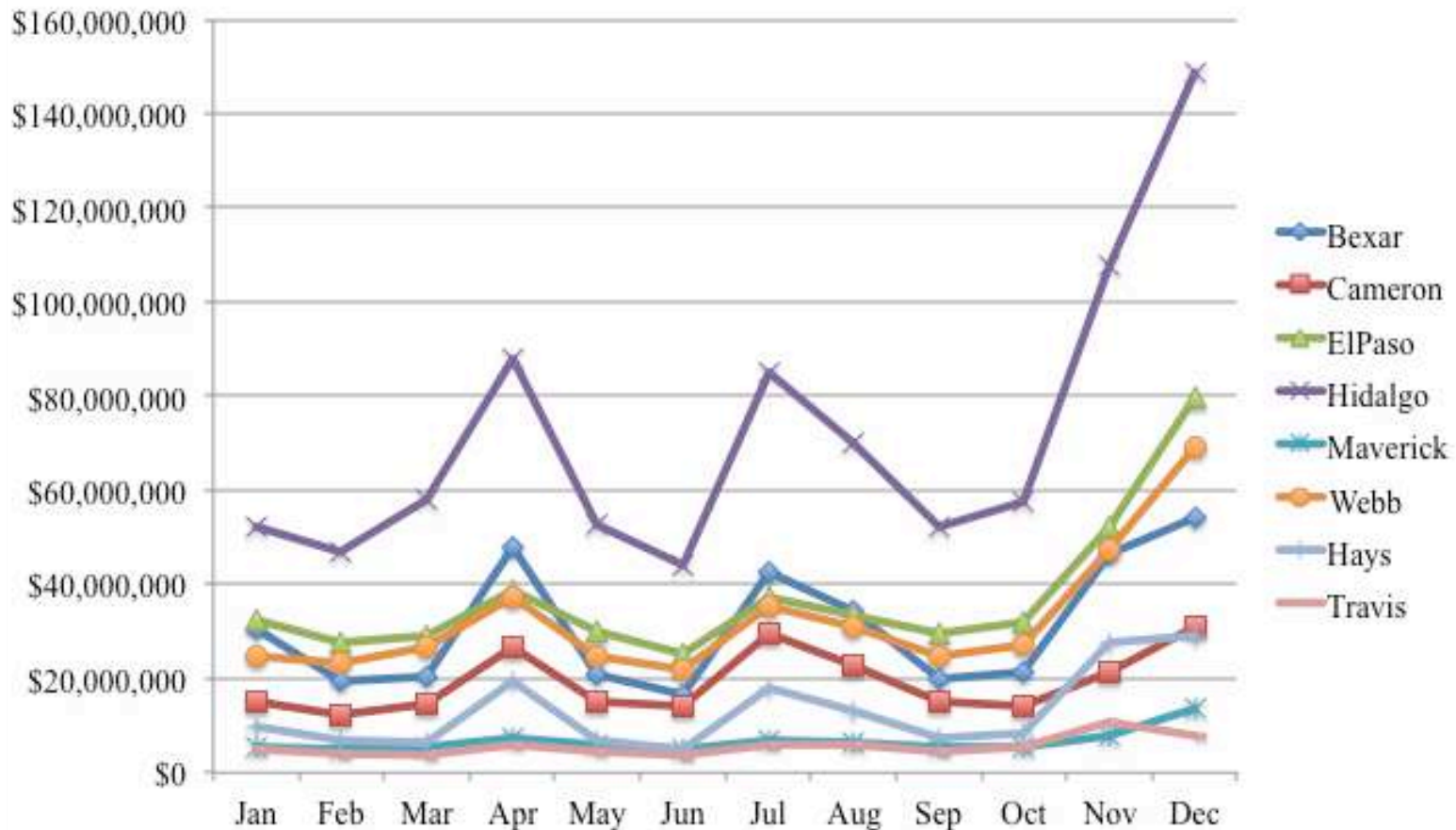
## Month-to-Month Percentage Change in Mexican Nationals Spending in El Paso for Select Months



# Spending boosts around major holidays persist across counties

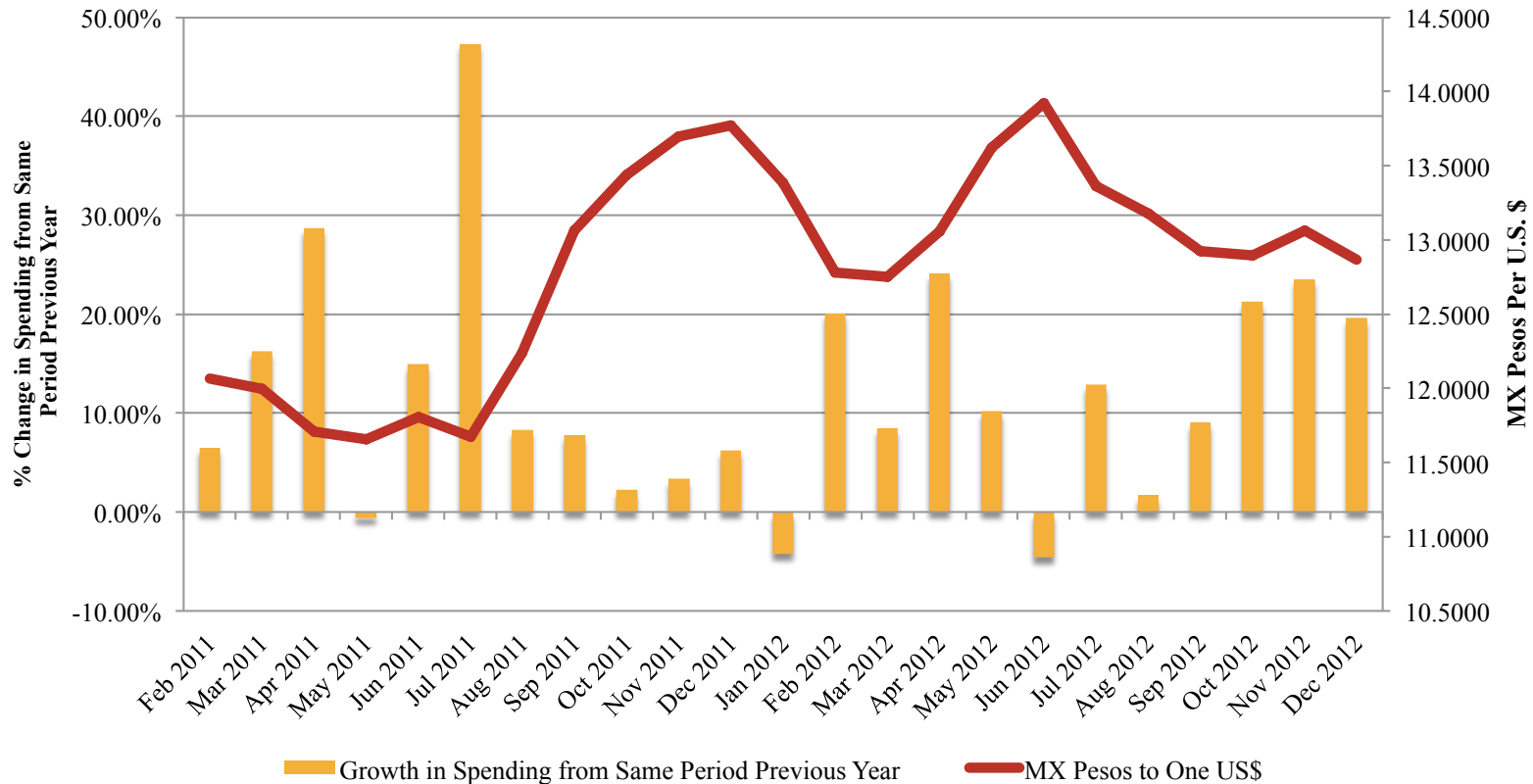
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Mexican Nationals Spending by County and Month: 2012



# Fluctuations in peso could be one reason for increases in spending

Change in Mexican National Spending Relative to Peso/\$ Exchange Rate

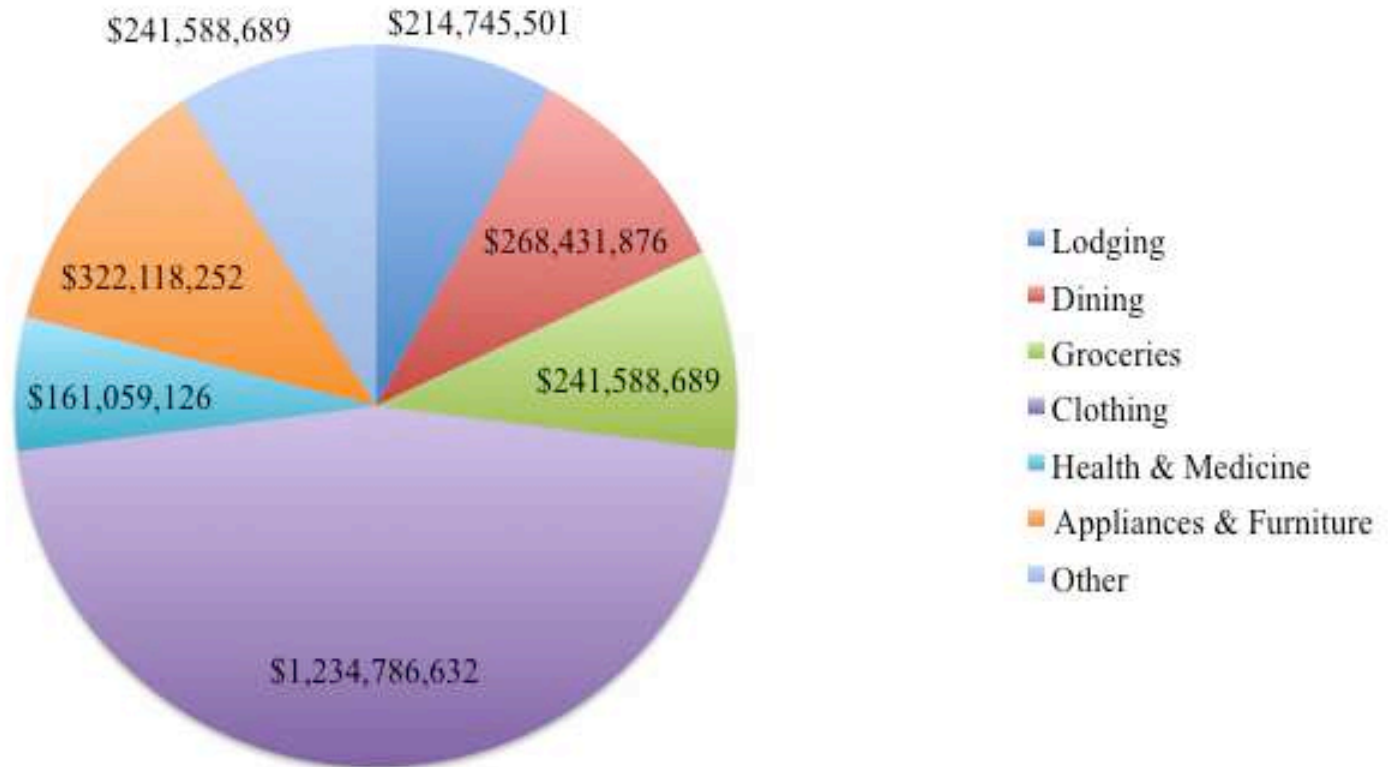


Source for exchange rate data: Federal Reserve System

# Largest proportion of spending is on clothing

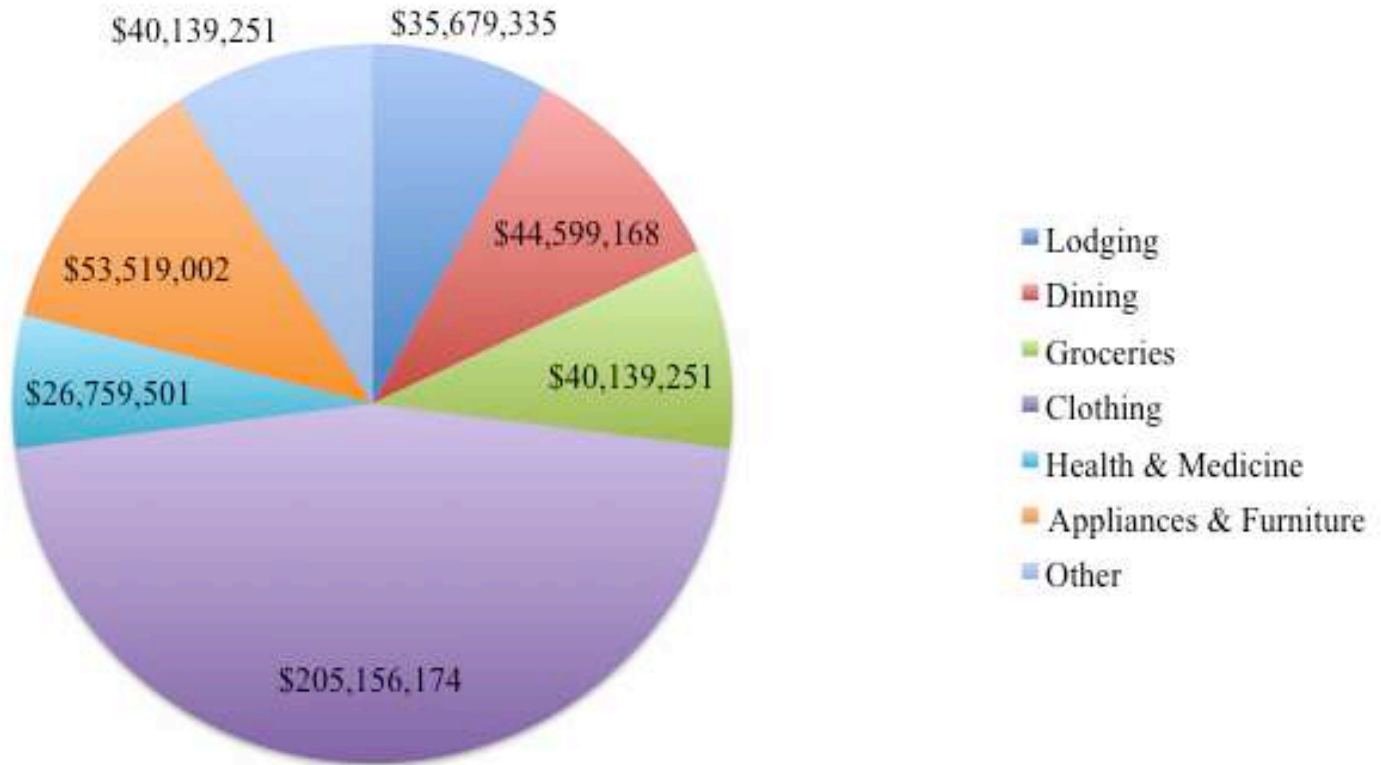
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Spending by Mexican Nationals by Category - 2012  
(20-County Region)



# \$446 million in total spending by Mexican Nationals in El Paso in 2012

Spending by Mexican Nationals by Category - 2012  
(El Paso County)



# Spending translates into substantial impacts on the local and state economies annually

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## Economic Impacts Resulting from Mexican Nationals Spending: 2012 (2013 \$)

	Employment	Income	Output
El Paso County	4,768	\$128,920,928	\$399,760,138
San Antonio MSA	4,343	\$144,762,606	\$394,540,989
Border Area	22,190	\$592,954,096	\$1,821,790,562
Central Texas	2,550	\$85,717,997	\$229,434,724
Entire Region	29,456	\$925,884,587	\$2,632,930,021

# A large source of revenue to local and State government coffers

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Fiscal Impacts Resulting from Mexican Nationals Spending in 2012 (2013 \$)		
	Indirect Business Taxes	Household Taxes
El Paso County	\$17,956,893	\$763,138
San Antonio MSA	\$15,858,227	\$969,455
Border Area	\$81,910,822	\$3,686,438
Central Texas	\$9,388,815	\$561,632
Entire Region	\$108,315,954	\$6,009,050

NOTE: Includes revenues to local governments and the State government but does not include sales taxes.



# Summary

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- Impacts are large especially in those communities bordering Mexico, San Antonio, and the Central Texas area
  - Even larger when consider spending on real estate and business investments
- Big boosts in spending around major holidays
- Provides substantial support to a variety of industries
- Lends stability to local economies
  - Strengthens ties between two economies and helps drive international trade

Thank you!!!