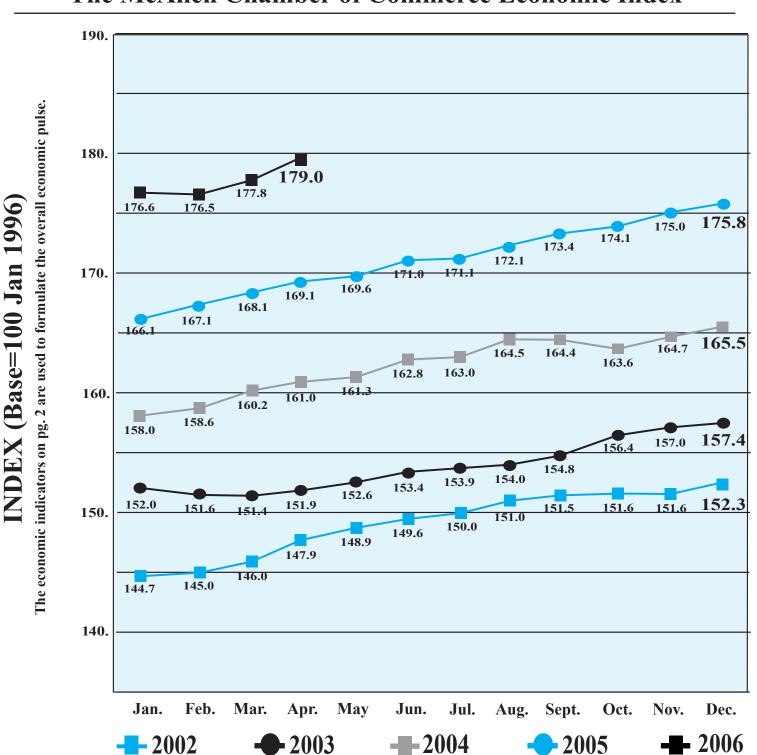
McAllen • Mission • Edinburg • Pharr



April 2006 Economic Pulse



The McAllen Chamber of Commerce Economic Index



ECONOMIC INDICATORS		THIS YEAR April 2006		LAST YI April 20		% CHANGE 04/05 - 04/06
Retail Sales (000's - Month in 1995\$)	\$265,6	18	\$2	229,334	15.8%	
Retail Sales (000's - Year)		\$1,084,7			011,115	7.3%
Motor Vehicle Tax Receipts (Month)		\$90,3			883,971	7.5%
Motor Vehicle Tax Receipts (Year)		\$357,6			313,450	14.1%
Lodging Tax Receipts (Year)		\$1,140,9	41		061,377	7.5%
Airline Boardings (Month)		33,5			28,384	18.1%
Airline Boardings (Year)	134,3		120,		11.9%	
Value All Construction Permits (Month	\$66,735,8	31	\$53,195,		25.5%	
Value All Construction Permits (Year)	\$253,018,1	64	\$251,394,3		0.6%	
New Home Permits (Month)	3	41			-5.0%	
New Home Permits (Year)	1,1	64	1,1		-1.1%	
Home Sales (Month)	2	09			23.7%	
Home Sales (Year)	7	34		645	13.8%	
Average Home Sale Price (Month)	\$127,9	52	\$111,5		14.7%	
Average Home Sale Price (Year)	\$120,7	18	\$	111,192	8.6%	
Hidalgo Bridge Crossings (Month)	575,6	21	4	575,639	0.0%	
Hidalgo Bridge Crossings (Year)	2,252,3	19 2,2		230,538	1.0%	
Peso Exchange Rate (Month)	11.	.20		11.25	-0.4%	
Employment						
Wage & Salary Employment (Month)		203,300		196,000		3.7%
Wage & Salary Employment (YTD Avg)		202,700		192,900		5.1%
Unemployment Rate (Month)		7.0		7.4		N/A
Unemployment Rate (YTD Average)		7.4		8.5		N/A
INDEX (Base=100 Jan 1996)		17	9.0		169.1	5.9%
In January 2004 the Texas Comptroller's Office began tracking "Manifiestos" requests for sales tax refunds on items purchased by Mexican citizens or for export into Mexico.		Export Sales per Manifiestos		Total ail Sales		Sales of Sales
	April 2006	\$25,795	\$3	48,167	7.	4%
	Year-to-date	\$104,616	\$1,	\$1,417,117		4%

The McAllen metro area economy continues to flourish, with the April McAllen Economic Index taking a big jump upward to 179.0, up from the March index of 177.8, and up 5.9% from the April 2005 MEI of 169.1.

Growth is broad-based, and spread throughout most sectors of the McAllen area economy -- the homebuilding sector is the only year-to-date negative on the table of economic indicators, and the decline is marginal, down just over 1% from year-ago levels.

And existing home sales are filling that gap with the number of homes sold up nearly 24% in April compared to April of a year ago, and up 13.8% YTD; prices are steadily on the rise as well, and the total dollar volume of residential real estate activity is up over 23% compared to the first four months of 2005.

Construction activity in the metro area is high -- the value of permitted projects is only slightly improved over year-ago levels, but the \$253 million in valuations through April 2006 is a new record for the January-April period.

Consumer spending continues to be the primary driving force behind local economic growth, with inflation-adjusted retail spending up nearly 16% in April compared to April 2005, and year-to-date growth of a very stout 7.3%; automobile sales are strongly on the rise as well -- inflation-adjusted spending on new and used autos is over 14% improved over the first four months of 2005.

The rate of job growth has slowed a bit, but most Texas metro areas would happily trade for the current 3.7% year-over-year employment growth; the job growth average through April remains above 5%, and the unemployment rate continues to decline (the monthly unemployment rate of 7% is a record low for the month of April).