Overview of the Regional Economy

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The views expressed here are those of the presenter and do not necessarily represent those of the Federal Reserve Bank of New York or the Federal Reserve System.
Recent Private-Sector Job Trends

Year-Over-Year Percent Change as of December 2018

Private-Sector Job Trends

Percent Change From Previous Peak to December 2018

Current Economic Conditions
FRBNY Business Surveys, Current Conditions

Empire State Manufacturing Survey
Business Leaders Survey

Source: Federal Reserve Bank of New York.
Future Economic Conditions

FRBNY Business Surveys, Conditions Six Months Ahead

Diffusion Index

Empire State Manufacturing Survey

Business Leaders Survey

Shading indicates NBER recession

Source: Federal Reserve Bank of New York.
Unemployment Rates
Seasonally Adjusted

Total Employment
Seasonally Adjusted Index

Index (Dec2007=100)

New York City
New York
United States
New Jersey
Puerto Rico

Source: Bureau of Labor Statistics and Moody's Economy.com; data are early benchmarked by FRBNY staff.
Total Employment

Seasonally Adjusted Index

Source: Bureau of Labor Statistics and Moody's Economy.com; data are early benchmarked by FRBNY staff.
Total Employment
Seasonally Adjusted Index

Source: Bureau of Labor Statistics and Moody’s Economy.com; data are early benchmarked by FRBNY staff.
Total Employment
Seasonally Adjusted Index

Index (Dec 2007 = 100)

United States
Berg-Huds-Pass
Mid-Mon-Ocean
NNJ
Newark metro

Shading indicates NBER recession

Source: Bureau of Labor Statistics and Moody's Economy.com; data are early benchmarked by FRBNY staff.
Total Employment
Seasonally Adjusted Index

Index (Dec 2007 = 100)

Source: Bureau of Labor Statistics and Moody's Economy.com; data are early benchmarked by FRBNY staff.
Employment Trends In and Around NYC
Private-Sector Job Growth – First Half of 2018 vs First Half of 2017

NYC Securities Employment
Seasonally Adjusted Levels

Thousands

NYC Tech and Securities Employment

Thousands of Jobs

Source: U.S. Bureau of Labor Statistics (QCEW) and Moody's Economy.com.; FRBNY Calculations
New York State Wages by County

Average Weekly Wages, Leisure & Hospitality, 1\textsuperscript{st} Half of 2018

Sources: Bureau of Labor Statistics, Moody’s Economy.com, New York State Department of Labor, FRBNY calculations.

New York State Scheduled Minimum Wage Phase-in

NY State Average=$622

Median Weekly Wage
(Min wage % of Median*)
* Assuming 26-hour week

<table>
<thead>
<tr>
<th>Wage Range</th>
<th>Median Weekly Wage</th>
<th>Min Wage % of Median</th>
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</thead>
<tbody>
<tr>
<td>$325 or Less</td>
<td>$288</td>
<td>(100%)</td>
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<tr>
<td>$325 to $425</td>
<td>$361</td>
<td>(80%)</td>
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<tr>
<td>$425 to $525</td>
<td>$709</td>
<td>(55%)</td>
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<tr>
<td>$525 or More</td>
<td>$407</td>
<td>(71%)</td>
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$325 or Less
$325 to $425
$425 to $525
$525 or More

Sources: Bureau of Labor Statistics, Moody’s Economy.com, New York State Department of Labor, FRBNY calculations.
Minimum Wage as % of Median Leisure & Hosp Wage
Assuming 26-Hour workweek

Sources: Bureau of Labor Statistics, Moody’s Economy.com, New York State Department of Labor, FRBNY calculations.
Home Prices

CoreLogic Home Price Index, Seasonally Adjusted

Source: CoreLogic Home Price Index (including distressed sales).
Home Prices

CoreLogic Home Price Index, Seasonally Adjusted

Index (Mar 2006=100)

Source: CoreLogic Home Price Index (including distressed sales).
Update on Puerto Rico & US Virgin Islands

• By last September (a year after the hurricanes), Puerto Rico’s economy and employment had essentially fully rebounded.
  – Follows a fairly typical pattern after major disasters.
  – Job shortfalls persist in government, leisure & hospitality, retail, health, and education.
  – In contrast, employment rose to new highs in construction and professional & business services; unemployment is near a record low.

• The US Virgin Islands saw much steeper job losses and less of a rebound.
  – Employment still down roughly 8% more than a year after Irma & Maria.
  – The key tourism sector remains depressed—leisure & hospitality employment is still down 40%, accounting for 2/3 of the net job shortfall.
Employment Paths Post-Hurricanes

Index (Month Before Hurricane = 100)

Regional Recap

• Business sentiment rebounded in February, following a slump.
• NYC continues to lead the region in job growth.
• Fairfield County and much of upstate New York have lagged.
• Even in the weakest areas, unemployment is near record lows.
• NYC’s key securities industry has barely contributed to the city’s boom; but brisk growth in a variety of other sectors, notably tech, has contributed to a broad-based expansion.
• Home prices appear to have leveled off across much of the District.
• Puerto Rico’s economy has rebounded, while the USVI’s remains depressed.