Overview of the Regional Economy

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Community Advisory Group (CAG) – June 27, 2022

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.
Total Employment Trends

Seasonally Adjusted Index

Percent Change Since Feb 2020

Shading indicates NBER recessions

Source: Bureau of Labor Statistics and Moody's Economy.com; data are early benchmarked by FRBNY staff.
NYC Subway Ridership
% Change from Comparable Pre-Pandemic Day

Moving 7-day average of daily data
Source: MTA
NYC Subway Ridership

% Change from Comparable Pre-Pandemic Day

Drop-off in Subway Ridership by Day of Week
March-June 2022 Average vs 2019

Moving 7-day average of daily data
Source: MTA
Total Employment Trends

Seasonally Adjusted Index

Percent Change Since Feb 2020

Shading indicates NBER recessions

Percent Change in Employment by Sector
February 2020 to May 2022

Current Economic Conditions

FRBNY Business Surveys, Current Conditions

Empire State Manufacturing Survey

Business Leaders Survey

Shading indicates NBER recessions

Source: Federal Reserve Bank of New York.
Businesses’ Inflation Expectations
Regional Business Surveys, May 2022

Service Sector Survey

Manufacturing Sector Survey

Interquartile Range (middle 50% of responses)

Summary

• The regional economy has continued to rebound across most of the District, though our business surveys point to some recent slowing.

• In terms of employment gains, New York City has lagged but is closing the gap, while the US Virgin Islands have lagged substantially. At the other end of the spectrum, Puerto Rico has outperformed.
  
  o NYC subway ridership is still about 40% lower than before the pandemic—due mainly to fewer daily commuters—but has continued to trend up gradually.

• High inflation remains a major concern among businesses in the region.
  
  o Despite high current inflation, inflationary pressures are not expected to persist once economic conditions stabilize.
APPENDIX
Future Economic Conditions

FRBNY Business Surveys, Conditions Six Months Ahead

Diffusion Index

Shading indicates NBER recessions

Source: Federal Reserve Bank of New York.
Home Prices: New York City

CoreLogic Home Price Index, Seasonally Adjusted

Percent Change Since Mar 2006

Source: CoreLogic Home Price Index (including distressed sales).
NYC Rentals With Concessions
Indexed to February 2020

Percent Change Since Feb 2020

Home Prices: LI & Northern Suburbs

CoreLogic Home Price Index, Seasonally Adjusted

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

CoreLogic Home Price Index, Seasonally Adjusted

Percent Change Since Mar 2006

Shading indicates NBER recessions

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

CoreLogic Home Price Index, Seasonally Adjusted

Source: CoreLogic Home Price Index (including distressed sales).
Shading indicates NBER recessions.

Source: Cushman & Wakefield.
Office Vacancy Rates

Overall Vacancy Rates

Percent

Shading indicates NBER recessions

Source: Cushman & Wakefield.