



FEDERAL RESERVE BANK *of* NEW YORK

# Economic Conditions in the Region

Jason Bram

Community Advisory Group Meeting – April 5, 2023

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.

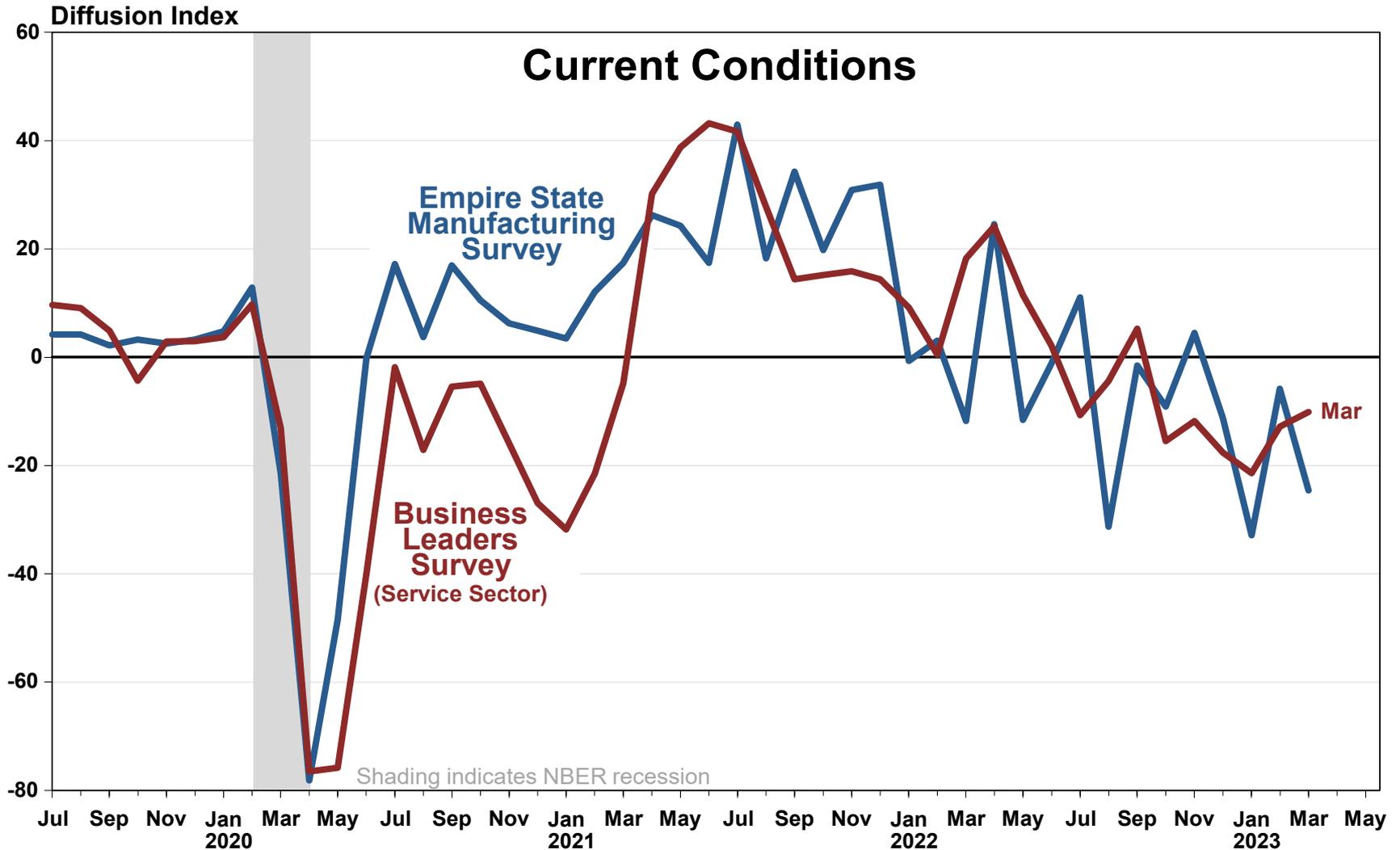
# Overview of Regional Conditions

- Our regional business surveys have been signaling weakening conditions in recent months, even as employment has risen.
- Three years after the pandemic hit, job losses across the region have largely been reversed—even in New York City.
- In northern New Jersey and Puerto Rico, employment is well above pre-pandemic levels.
- Inflationary pressures and wage pressures remain persistent but have moderated, and supply disruptions have eased.
- Since peaking last summer, home prices have been flat to down slightly. Office vacancy rates are at multi-year highs.



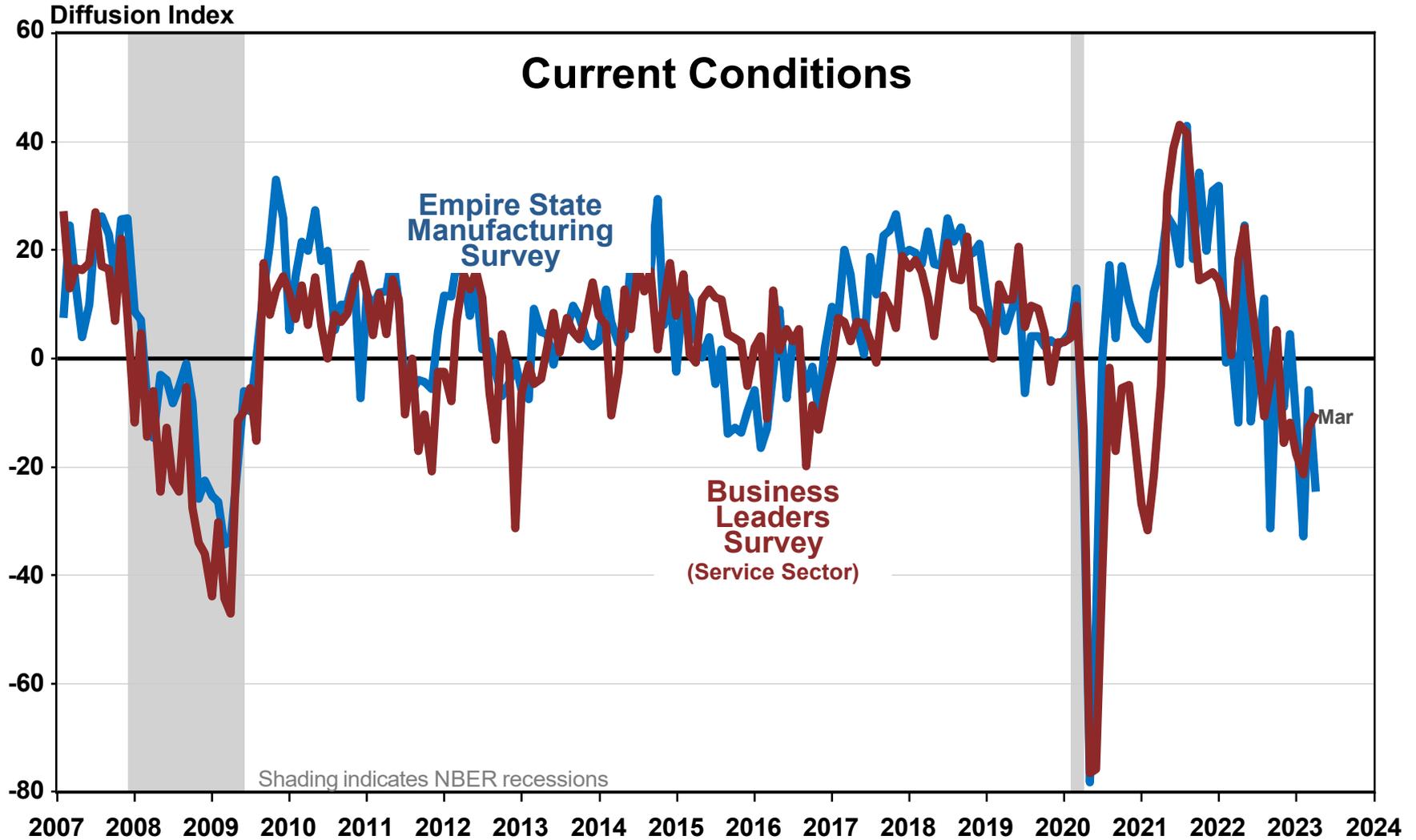
# Regional Growth Has Stalled

New York Fed Regional Business Surveys



# Regional Growth Has Stalled

New York Fed Regional Business Surveys

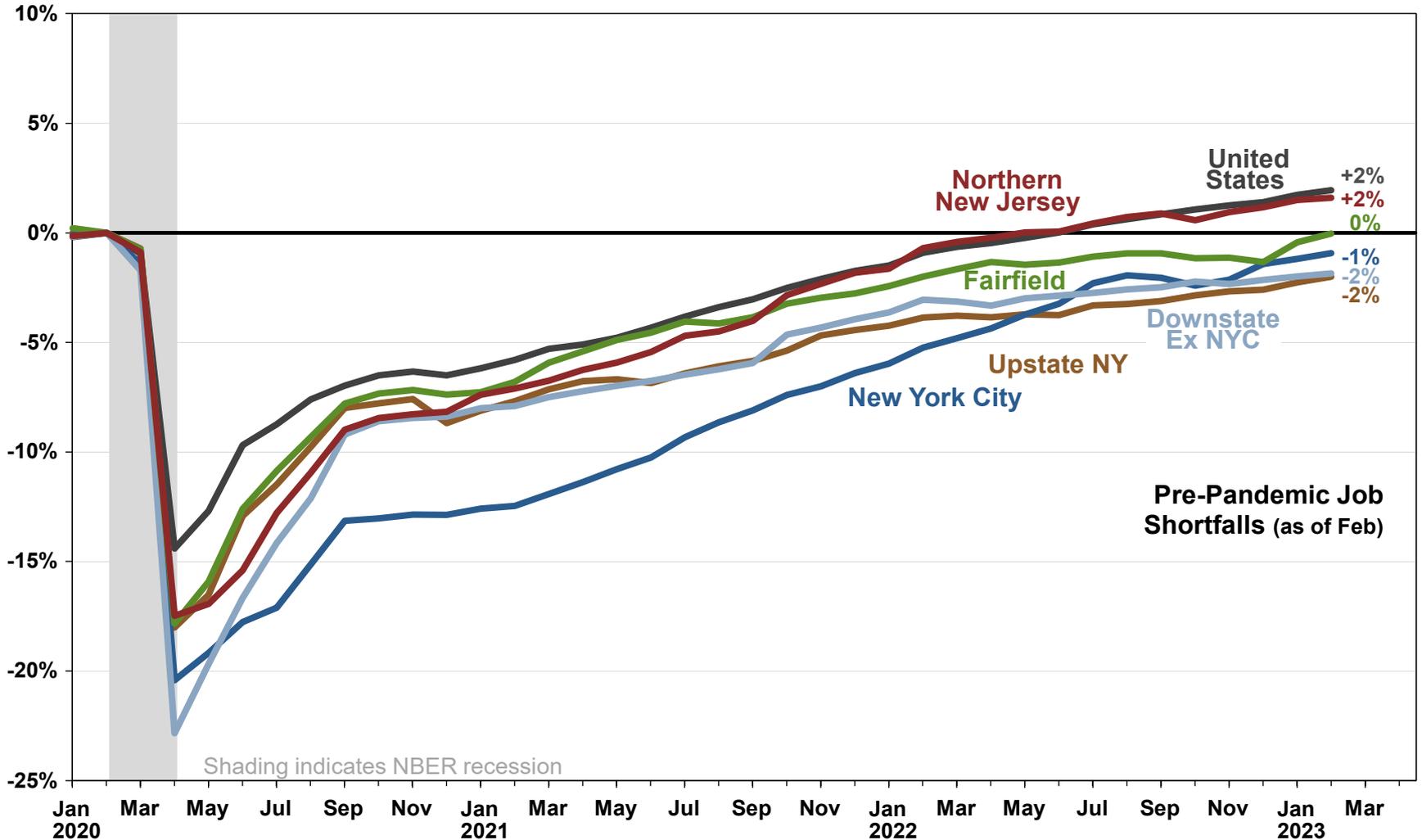


Shading indicates NBER recessions

Mar

# The Tri-State Region's Jobs Recovery

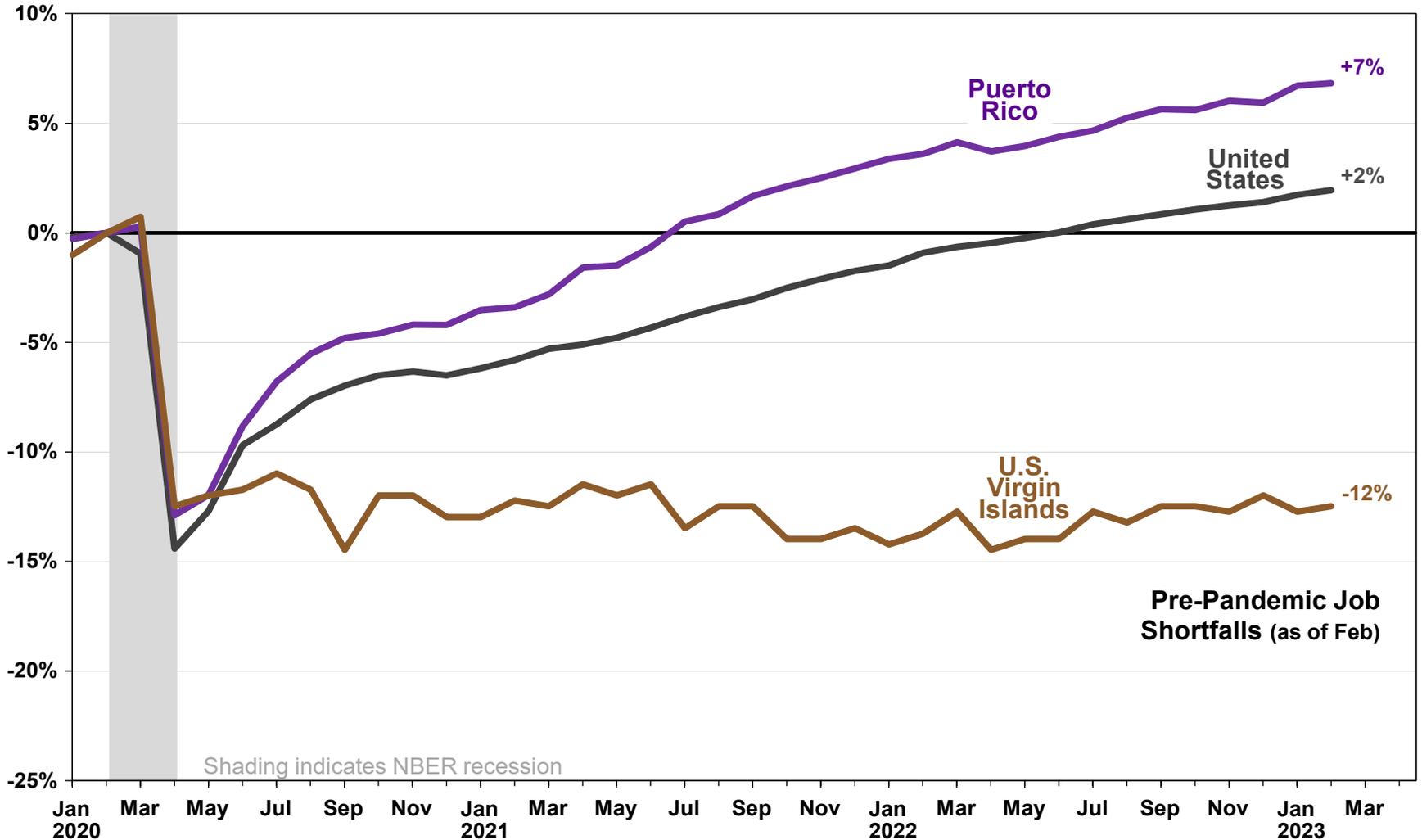
Percent Change in Total Employment Since Feb 2020



Pre-Pandemic Job Shortfalls (as of Feb)

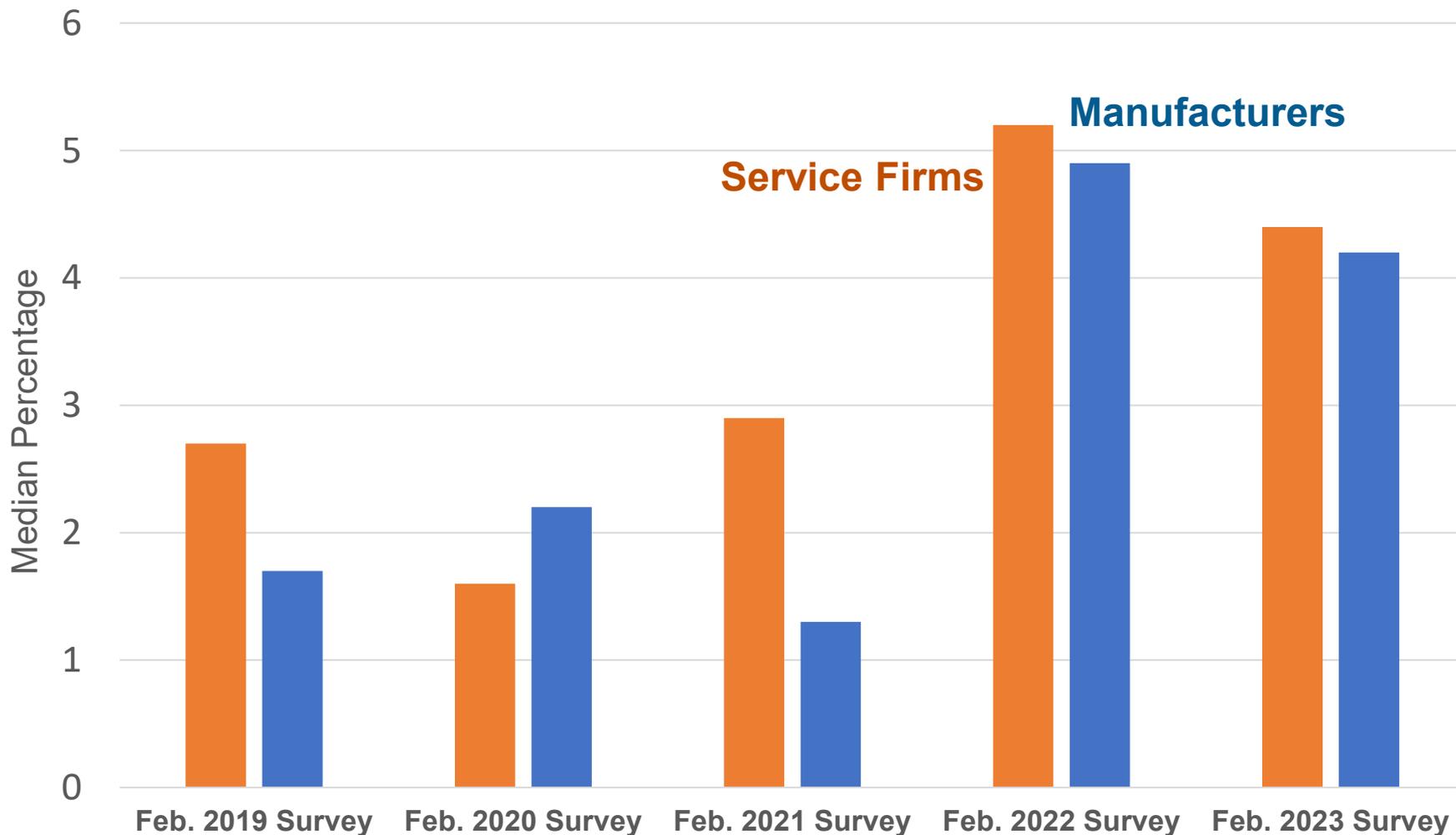
# Diverging Employment Paths in Puerto Rico and the USVI

Percent Change in Total Employment Since Feb 2020



# Current Job Openings as a % of Employment

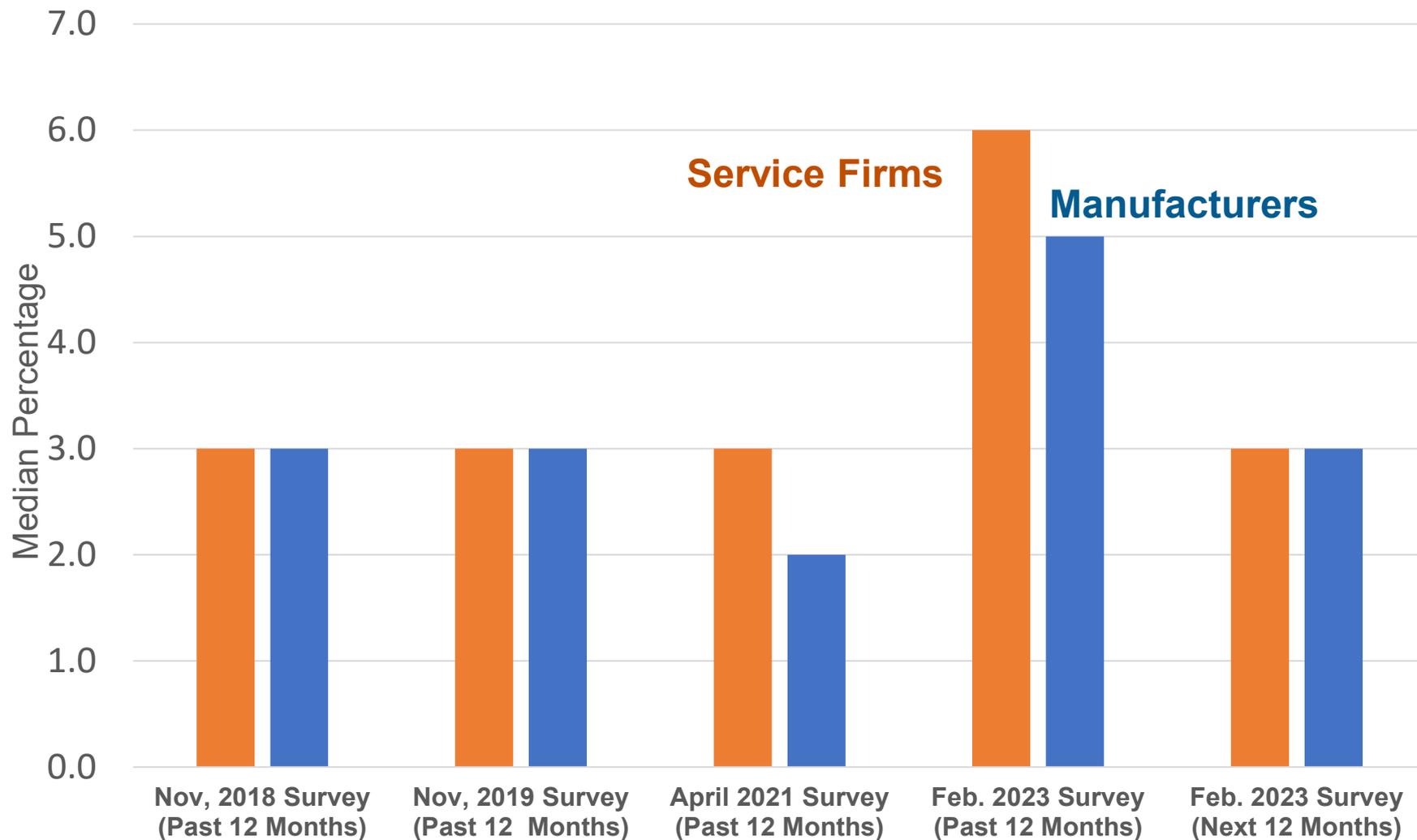
## New York Fed Supplemental Business Surveys



Source: Federal Reserve Bank of New York Supplemental Survey, February 2023 and earlier months

# Median Percent Change in Wages & Salaries

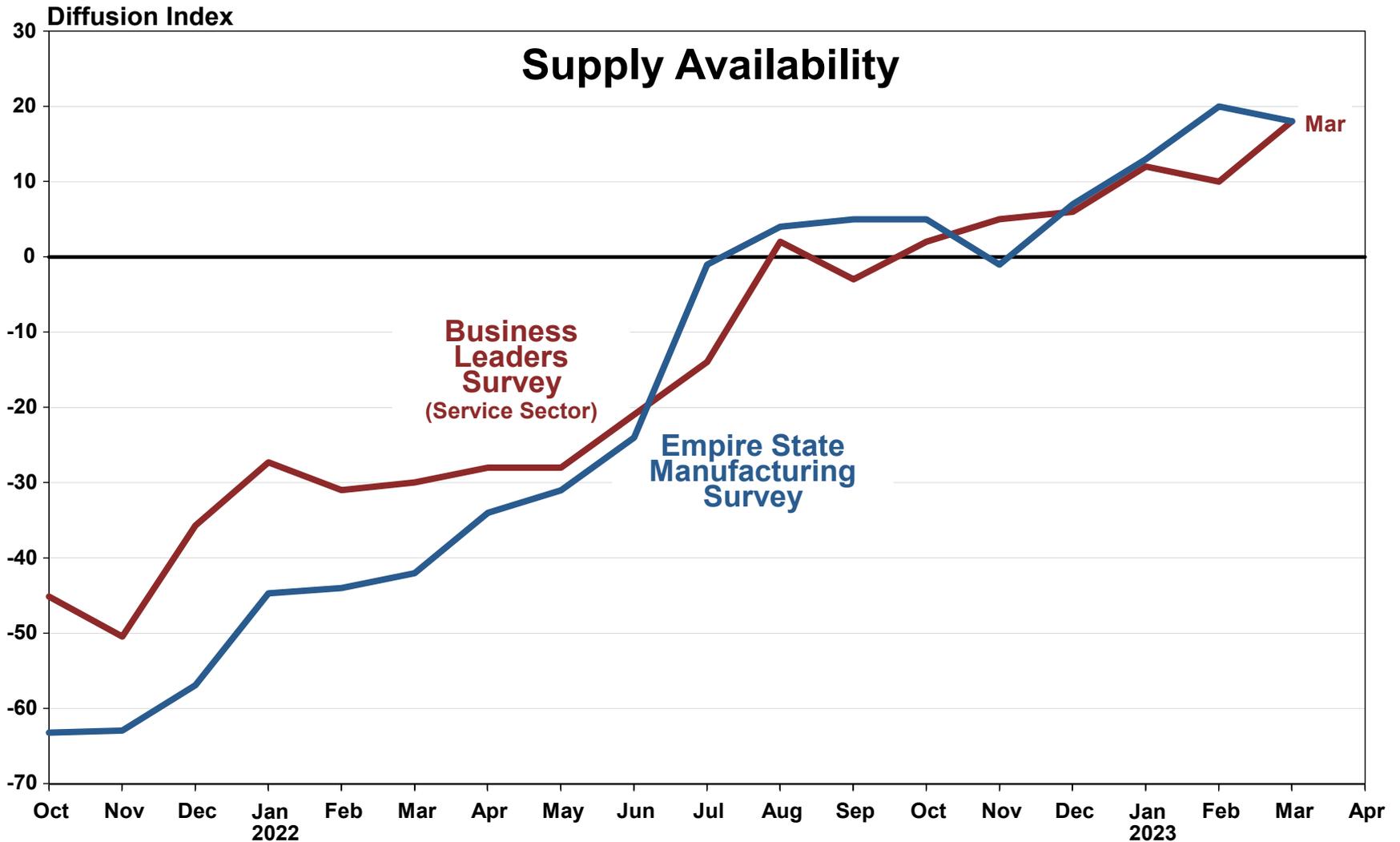
## New York Fed Supplemental Business Surveys



Source: Federal Reserve Bank of New York Supplemental Survey, February 2023 and earlier months

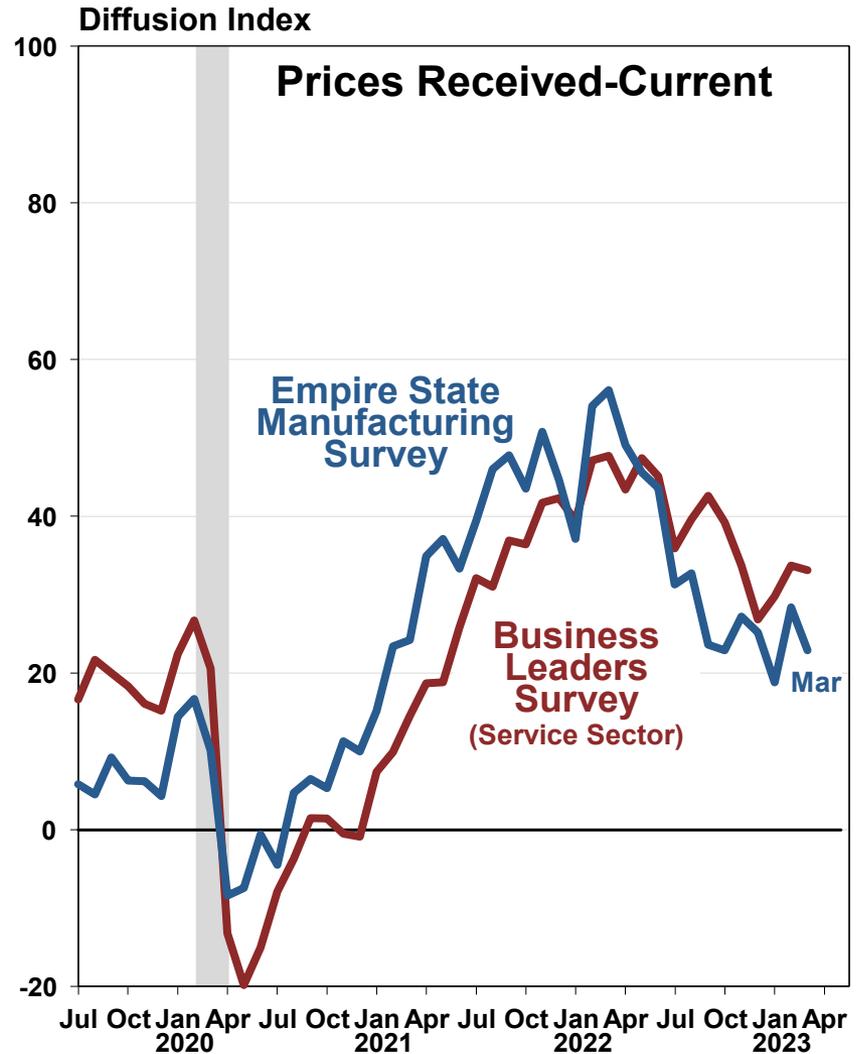
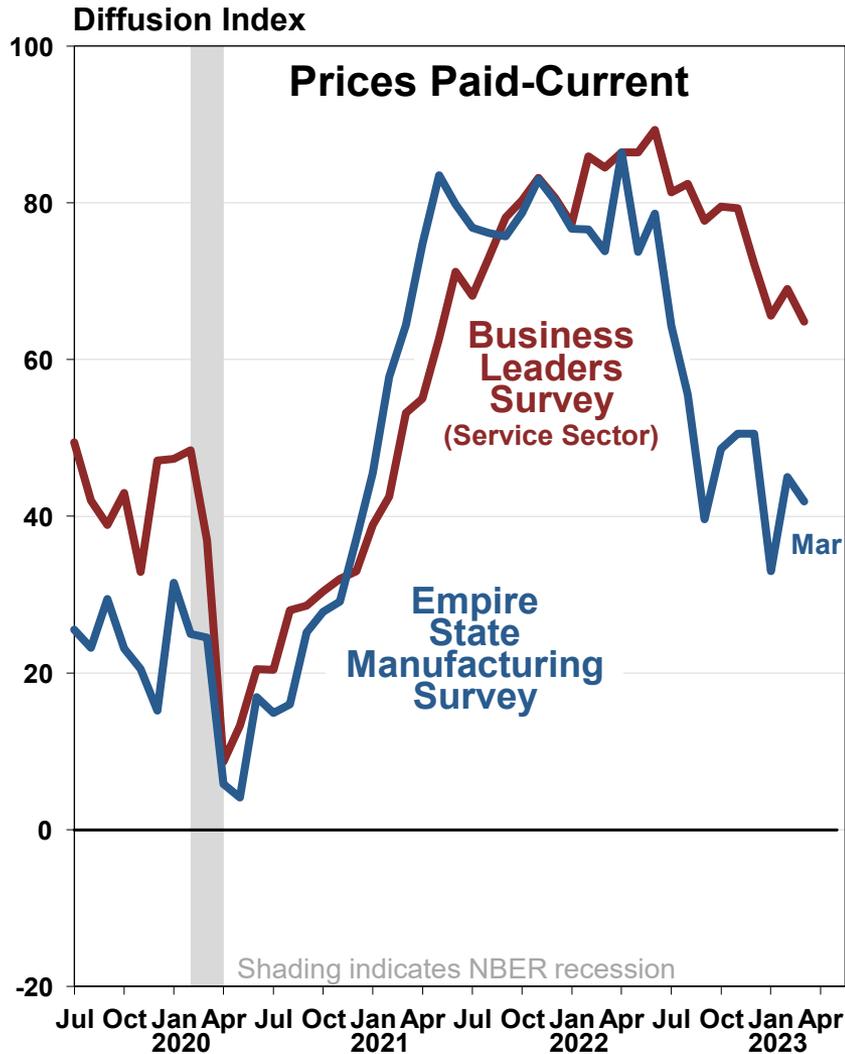
# Supply Disruptions Are Easing

New York Fed Regional Business Surveys



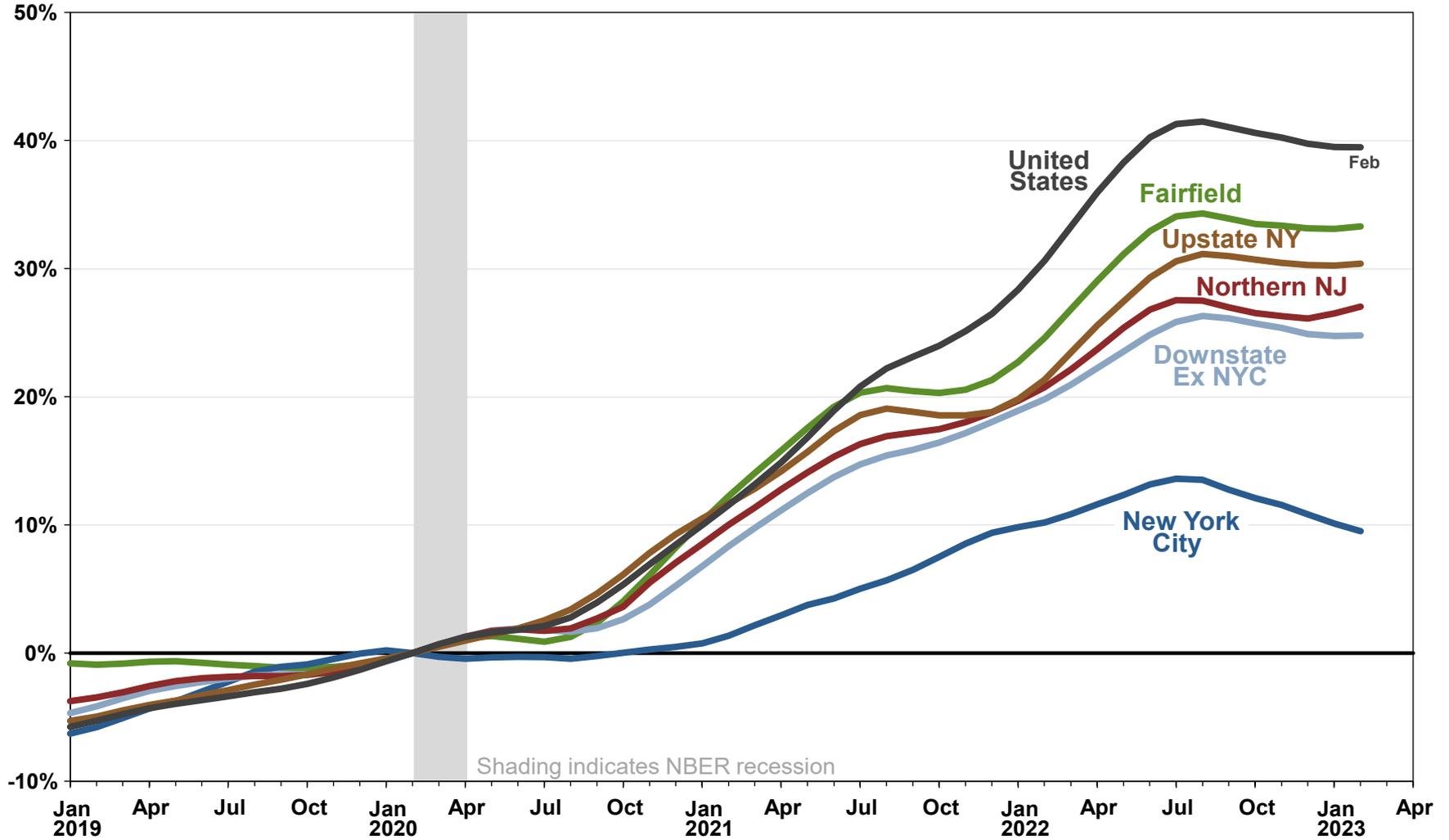
# Inflationary Pressures Have Moderated

## New York Fed Regional Business Surveys



# Home Prices Have Plateaued

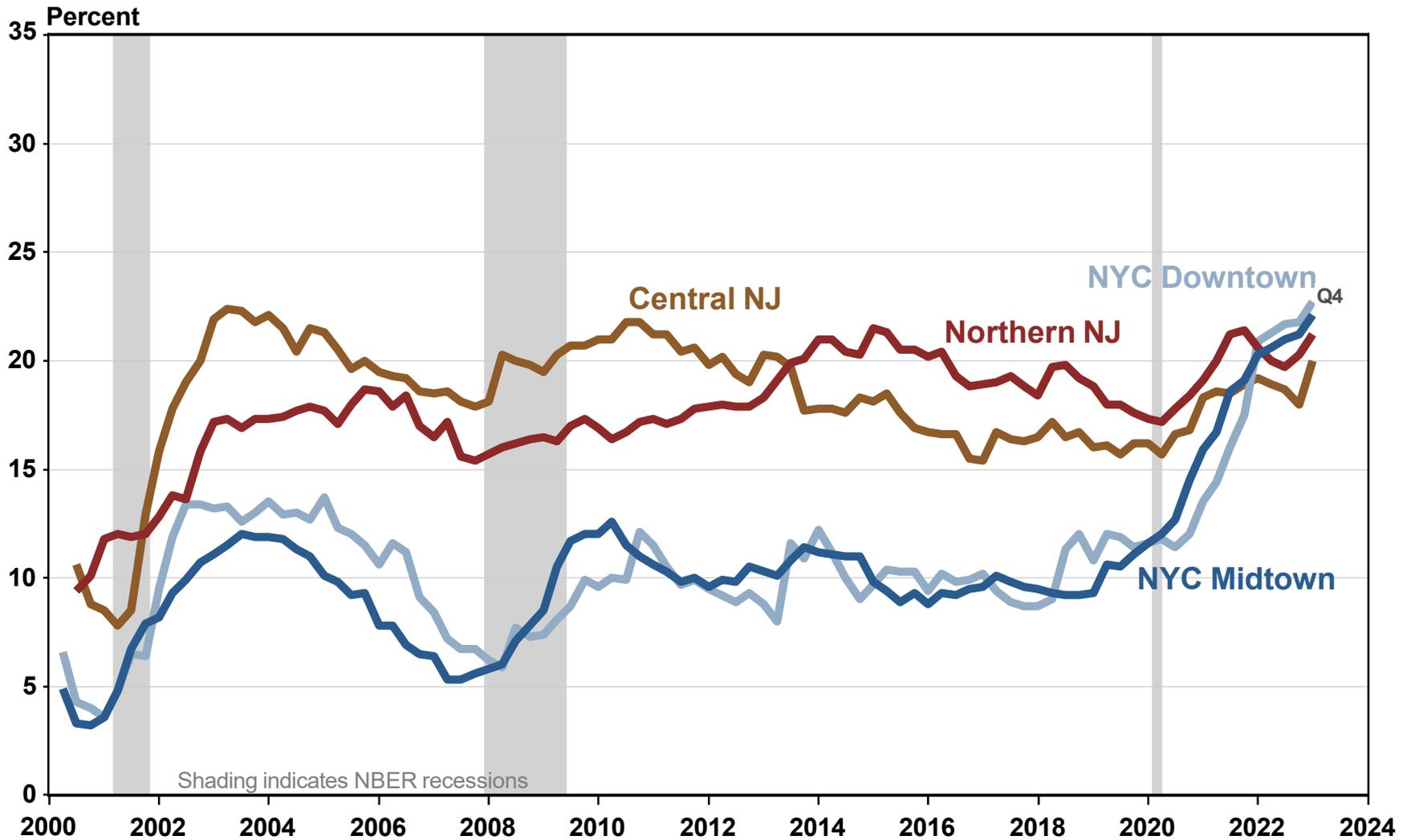
Home Price Growth Since Feb 2020



Shading indicates NBER recession

# Office Vacancy Rates

## Overall Vacancy Rates

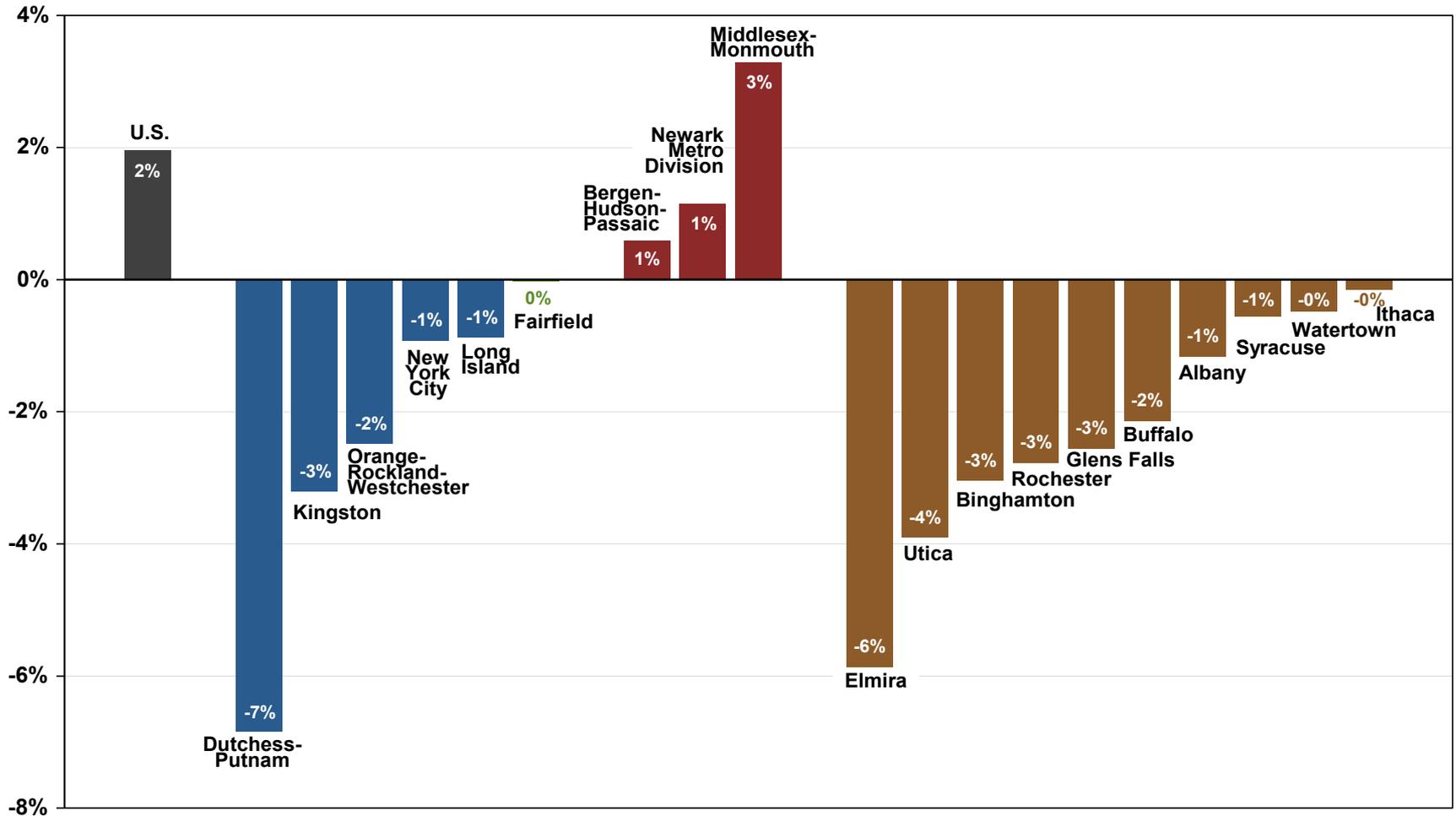


Shading indicates NBER recessions

# Reference Slides

# Pre-Pandemic Job Shortfalls by Local Area

Percent Above/Below Feb 2020 Employment Level (as of Feb 2023)



# Home Price Increases by Local Area

Percent Change in Home Prices, Feb 2020 to Feb 2023

