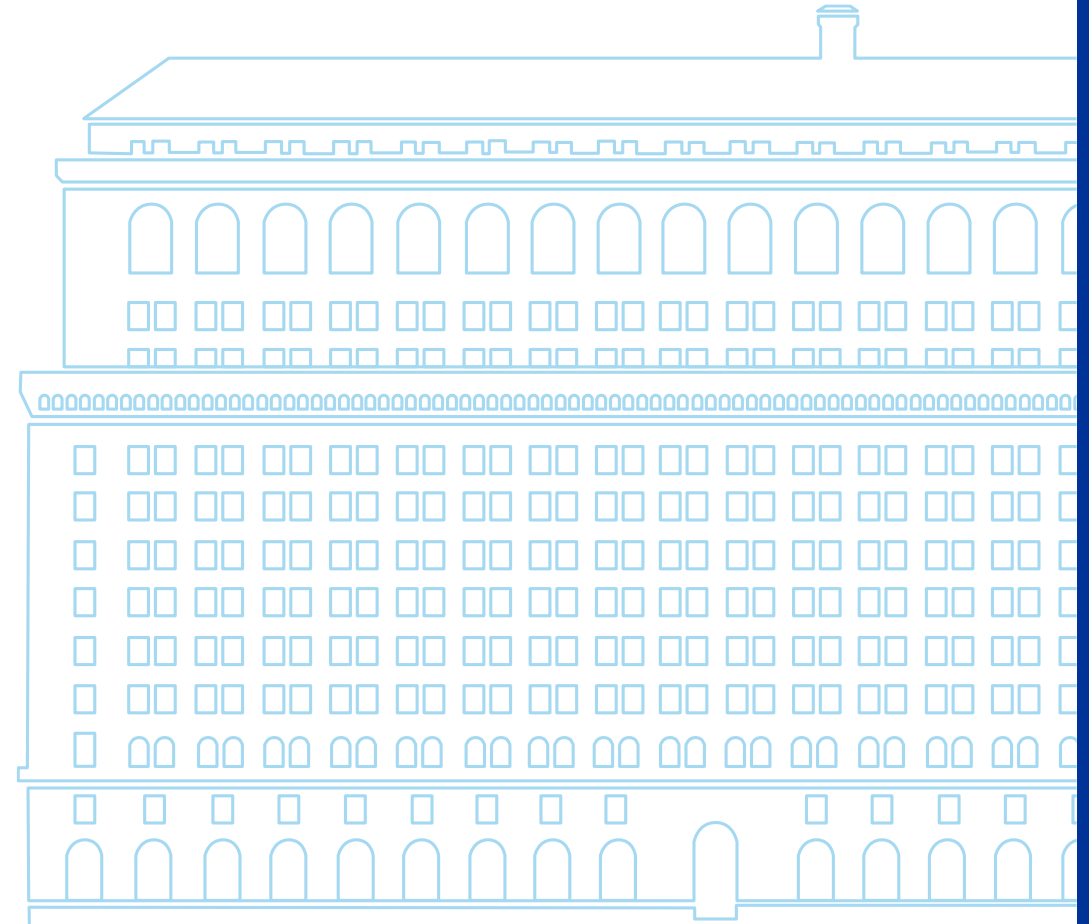


FEDERAL RESERVE BANK *of* NEW YORK

Economic Conditions in the Region

Joelle Scally

Community Depository Institutions Advisory
Meeting
October 8, 2026

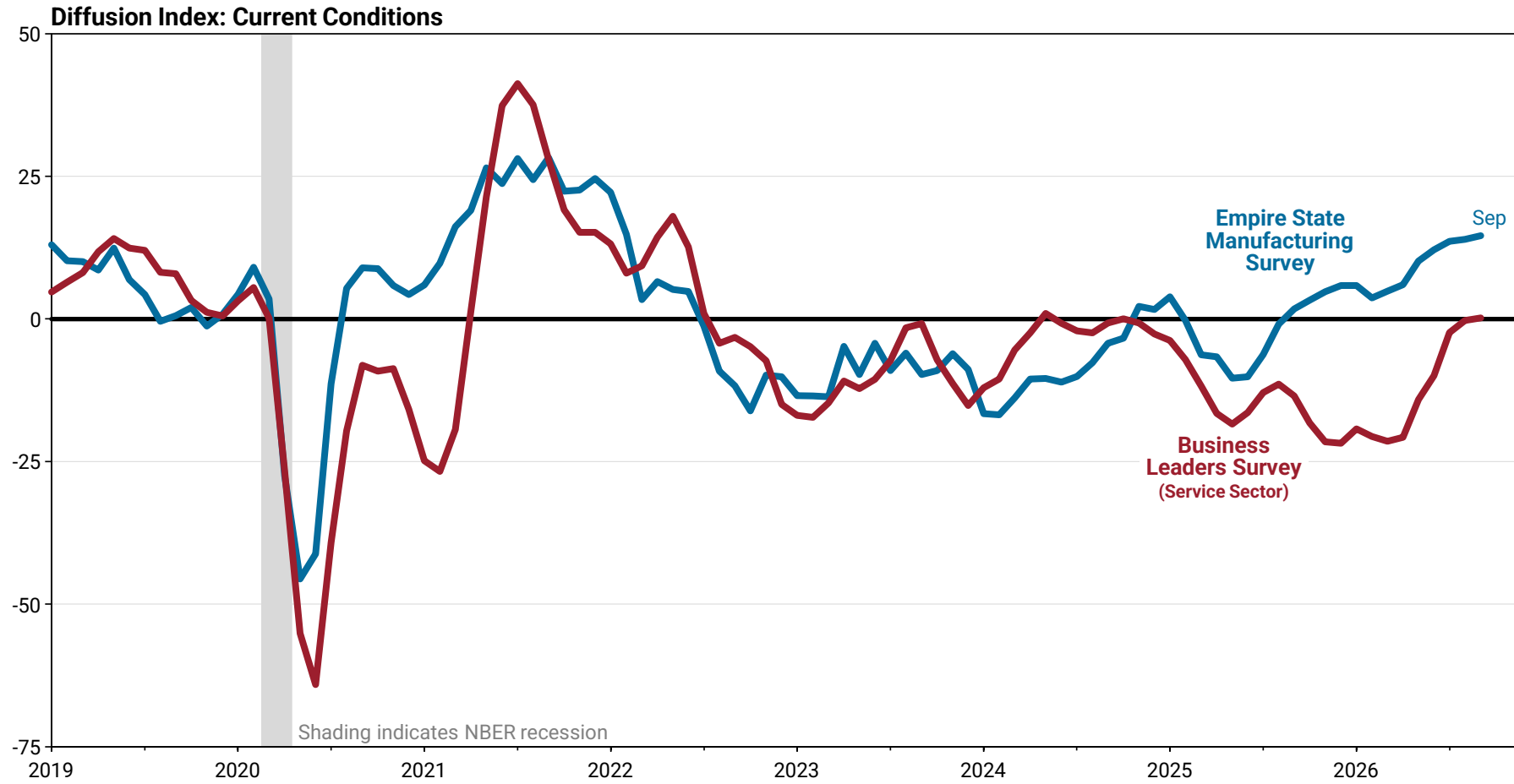


The views expressed herein are those of the presenter and do not necessarily represent those of the Federal Reserve Bank of New York or the Federal Reserve System.

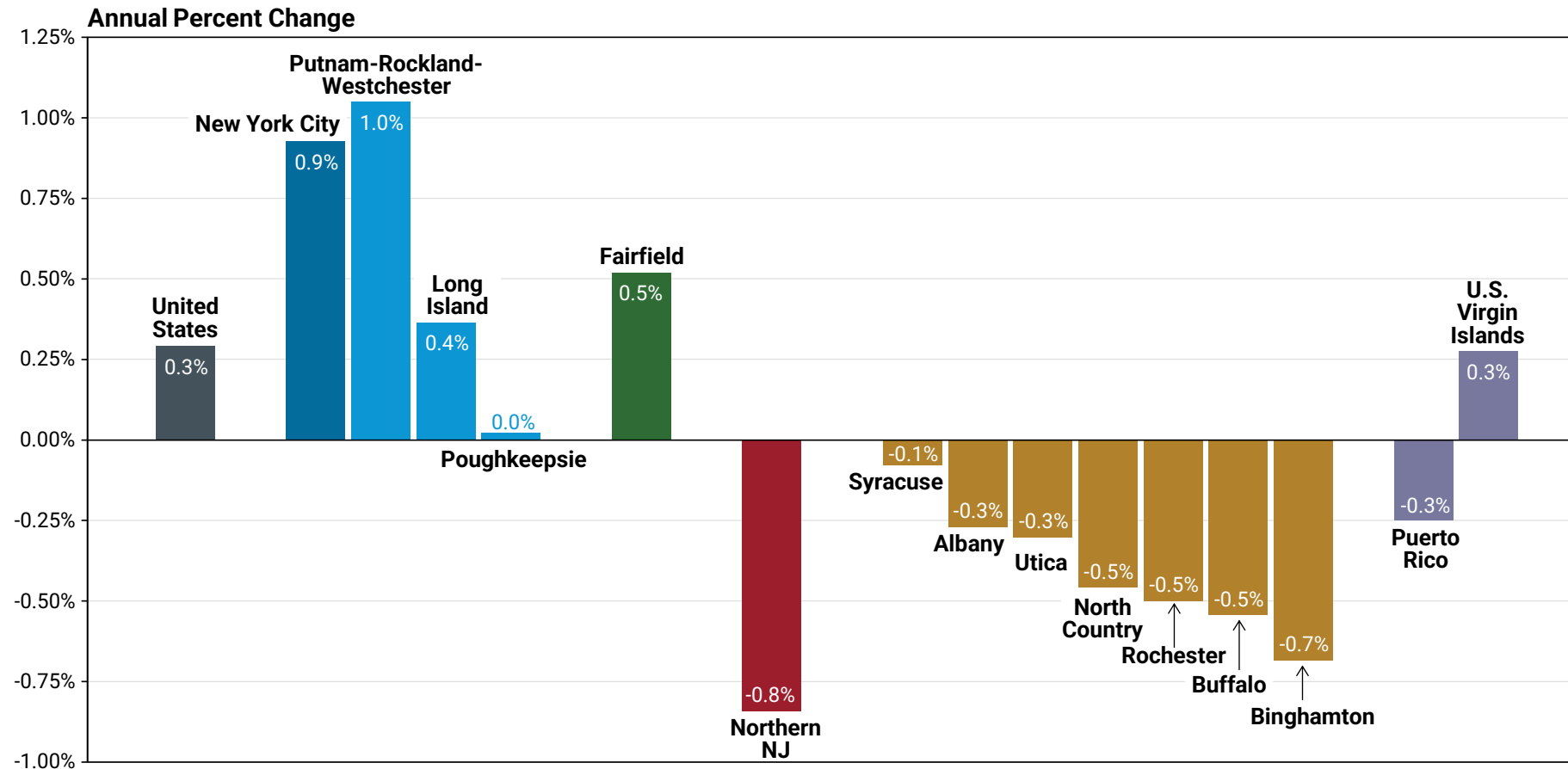
Overview

- Regional economic activity has picked up, led by strength in manufacturing.
- Regional job growth mostly concentrated in and around New York City.
- There are some signs of rising household stress.

Regional Activity Picking Up After Sustained Weakness

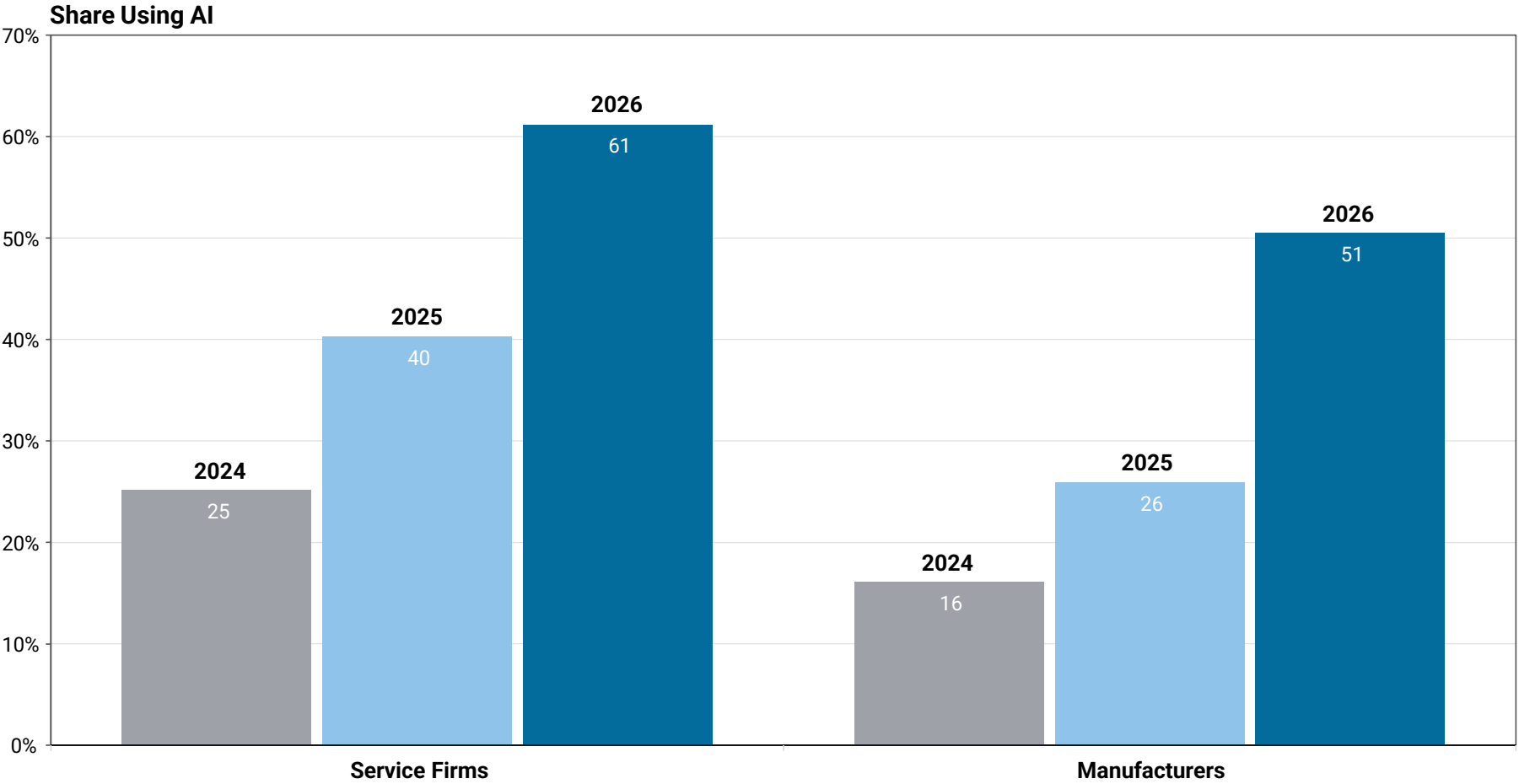


Strongest Job Growth In and Around New York City



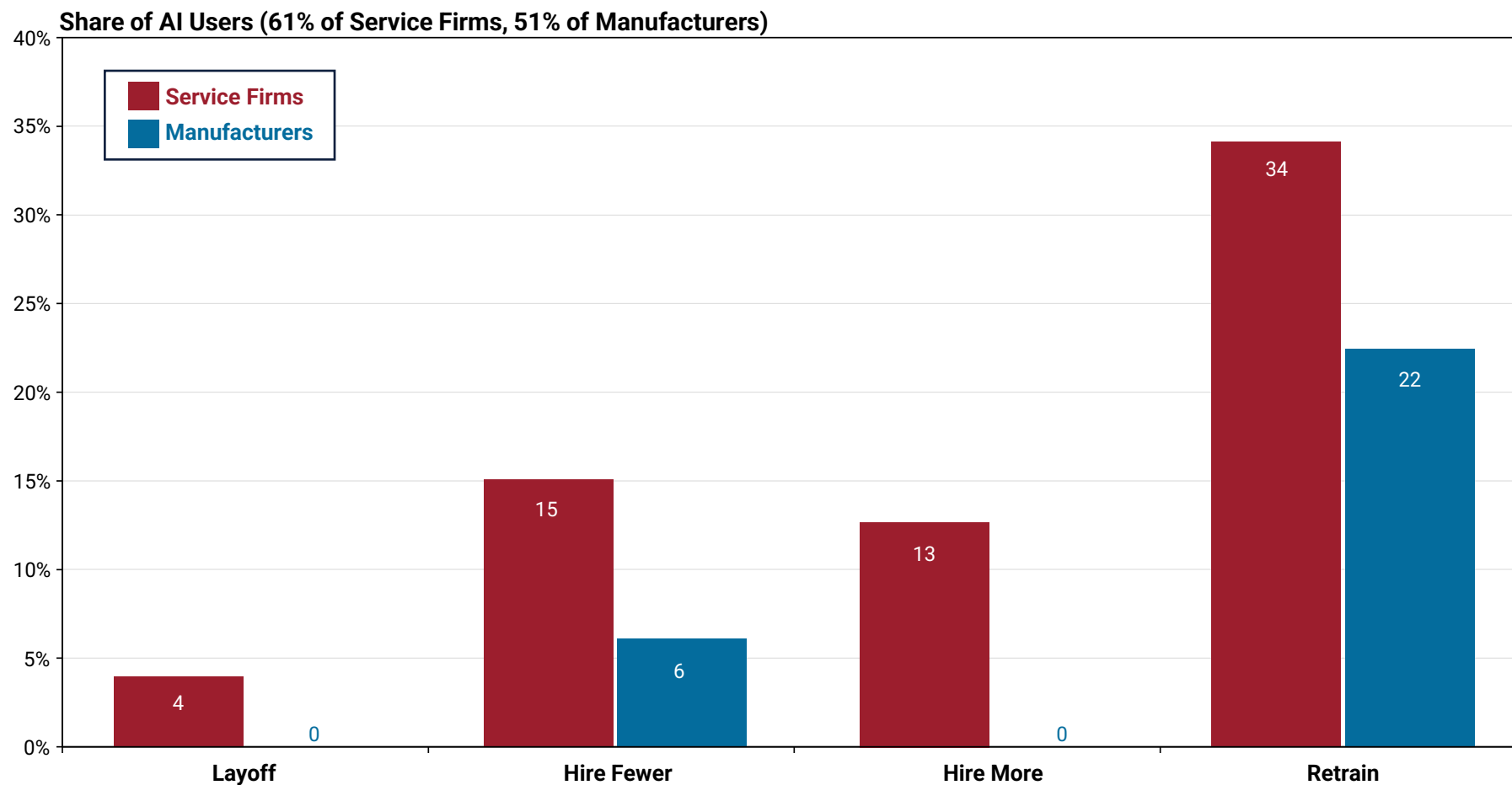
Source: U.S. Bureau of Labor Statistics and Moody's Economy.com; New York State Department of Labor.
Regional data early benchmarked by NY Fed, expressed as 3-month average through August.

AI Adoption Has Continued to Increase in the Region



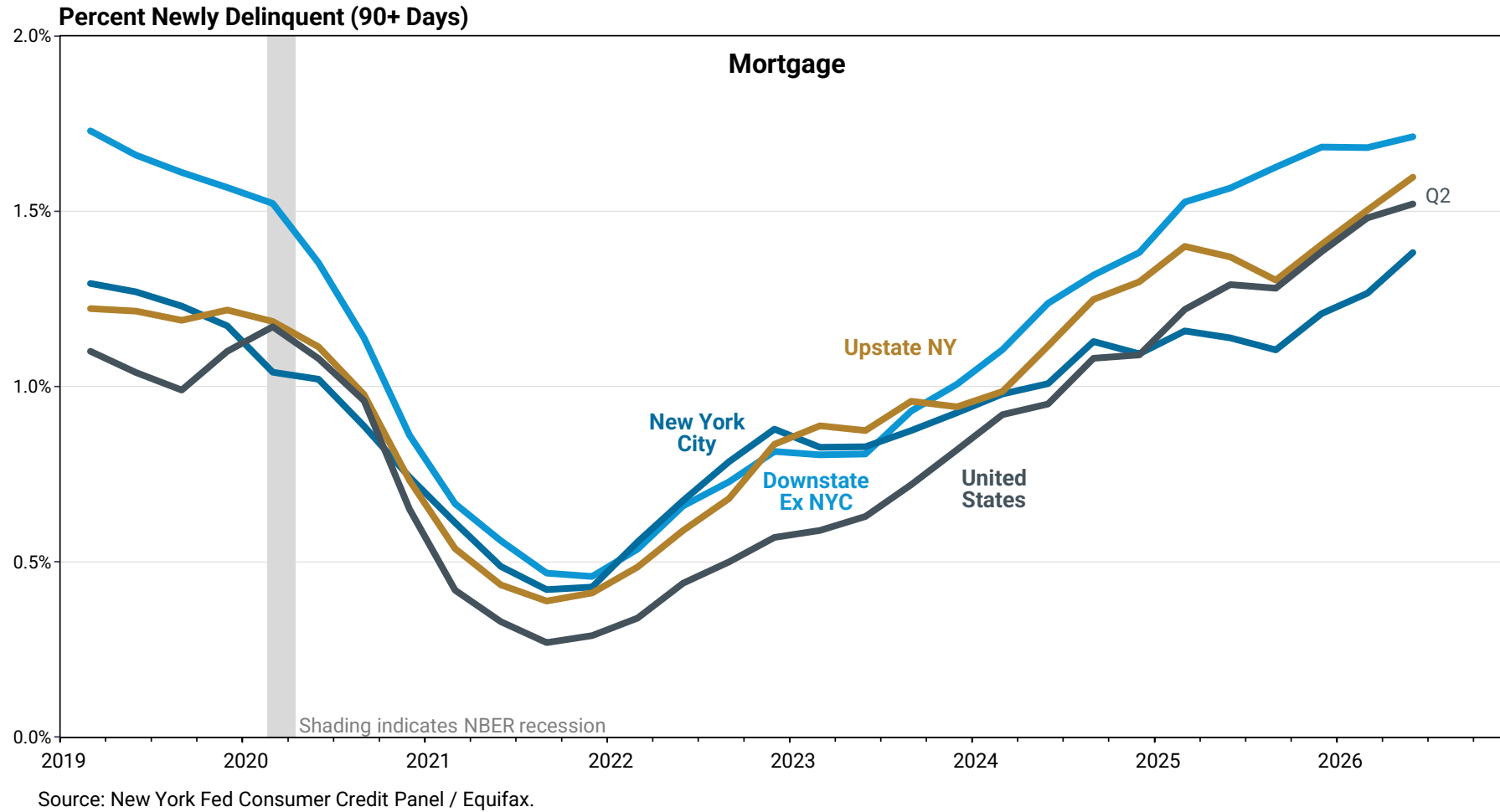
Source: Abel, Deitz, Emanuel, and Montalbano, “Businesses Are Using AI to Transform Work, Not Cut Jobs,” *LSE Blog*, September 2026.

Retraining Remains Common, Limited Layoffs Due to AI

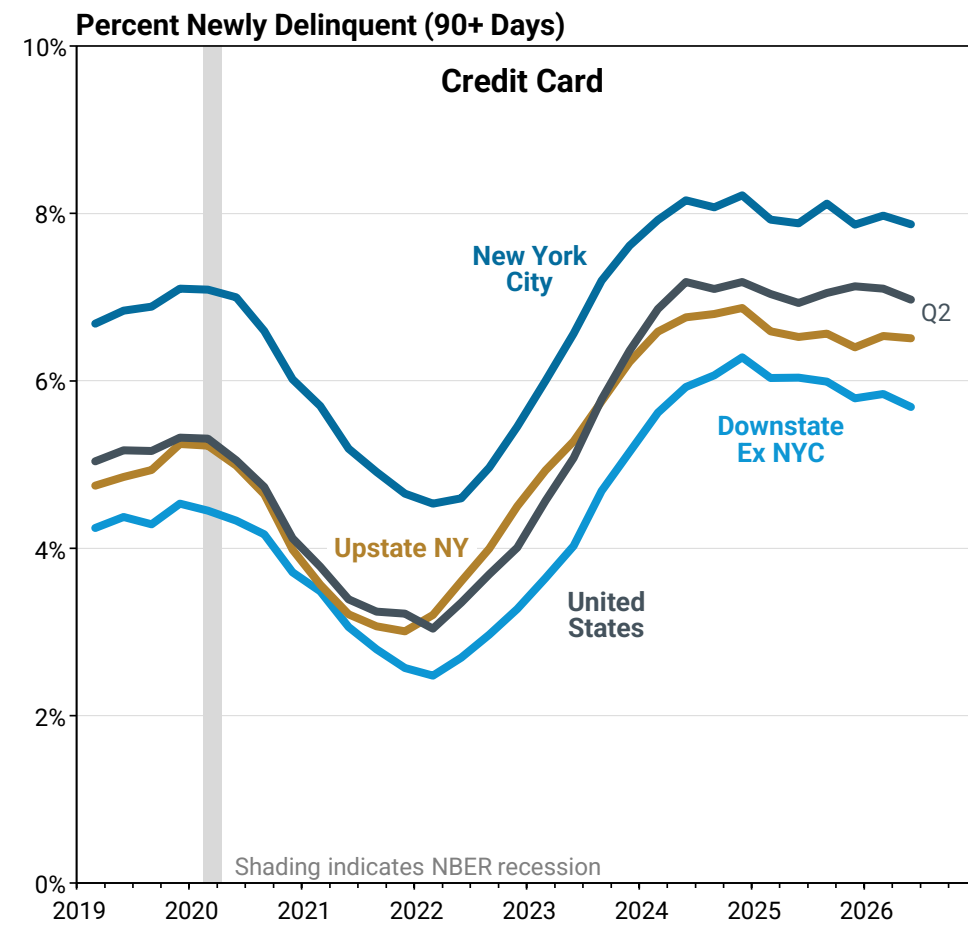
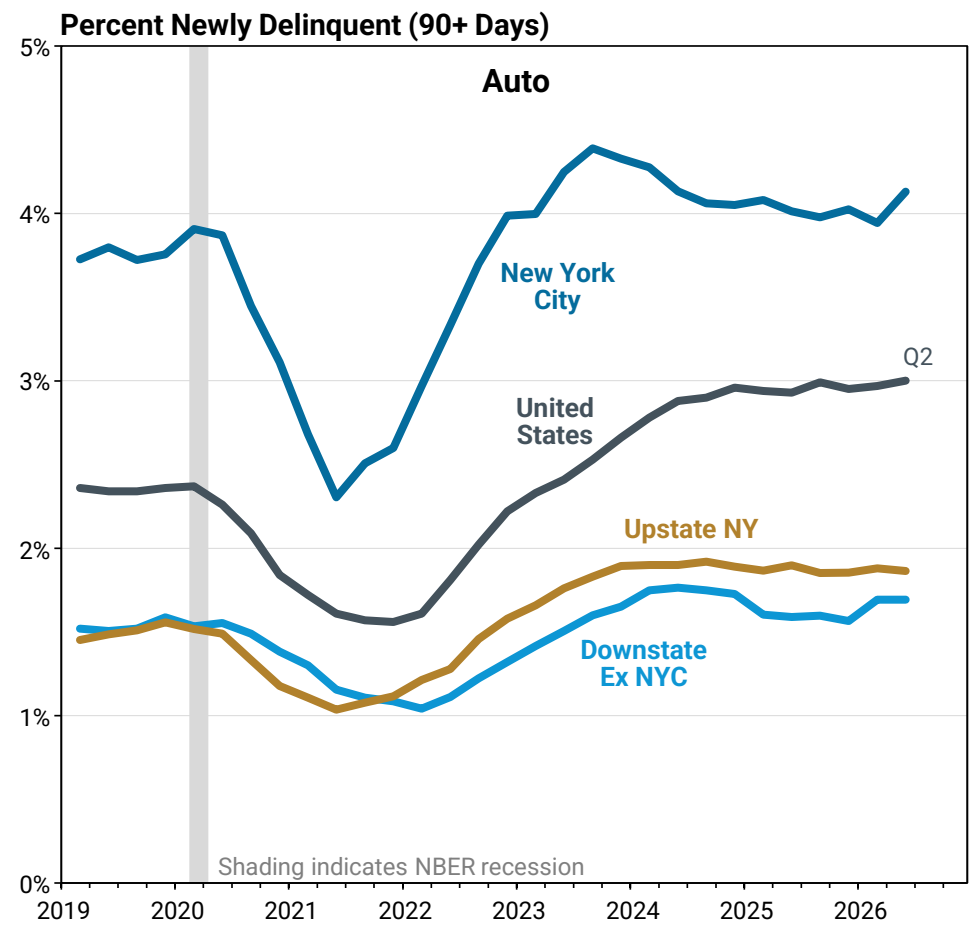


Source: Abel, Deitz, Emanuel, and Montalbano, "Businesses Are Using AI to Transform Work, Not Cut Jobs," LSE Blog, September 2026.

Mortgage Delinquencies Rising



Auto & Credit Card Delinquencies Elevated But Not Worsening



Source: New York Fed Consumer Credit Panel / Equifax.