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.
Summary

• 2020 Census data show that cities across the region saw much stronger population growth, prior to the pandemic, than had been estimated.

• Since the start of the pandemic, cities have seen modest net out-migration.
  - New York City’s population appears to have declined by almost 1%, though that has begun to reverse; just about all the decline accrued to Manhattan.

• Employment has continued to rebound briskly across the tri-state region.
  - New York City, where the economic effect of the pandemic was harshest, has had the steepest job shortfall, though growth has been strong recently.

• The winter Omicron outbreak appears to have had a short-lived negative effect on the regional economy in early 2022.
  - Our monthly business surveys point to a resumption of growth in the service sector but some slippage in activity among manufacturers.
  - Businesses continue to report widespread price escalation, amidst supply disruptions and labor shortages but remain optimistic about the outlook.
  - NYC subway ridership, which fell back in January, has now rebounded and is near a post-pandemic high.
Cities Grew Much More than Estimated
Population Growth 2010-19 (est) & 2010-20 (based on Census)

- NYC
- [Manhattan]
- [Queens]
- Newark
- Jersey City
- Bridgeport
- Stamford
- Buffalo
- Rochester
- Syracuse
- Albany

Source: U.S. Census Bureau; FRBNY Staff Calculations
NYC Population Change by Borough
Percentage Change from February 2020

Based on population with credit records
Source: New York Fed Consumer Credit Panel / Equifax
Total Employment

Seasonally Adjusted Index

Shading indicates NBER recessions

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

FRBNY Business Surveys, Current Conditions

Source: Federal Reserve Bank of New York.
New York City Subway Ridership

Percent Change from Comparable Pre-Pandemic Day

Moving 7-day average of daily data

Source: MTA
New York City Subway Ridership

Percent Change from Comparable Pre-Pandemic Day

Drop-off in Subway Ridership by Day of Week
Oct. 2021-March 2022 Average

Moving 7-day average of daily data
Source: MTA
Widespread Labor Shortages
Job Openings as a Share of Companies' Workforce

Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
If you are experiencing difficulty obtaining supplies you need, what is the soonest you expect such difficulties to resolve so they are no longer having a significant impact on your business?

Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
APPENDIX
Future Economic Conditions

FRBNY Business Surveys, Conditions Six Months Ahead

Diffusion Index

Empire State Manufacturing Survey

Business Leaders Survey

Shading indicates NBER recessions

Source: Federal Reserve Bank of New York.
Price Changes Reported by Service Firms

New York Fed Regional Business Surveys

Average Reported Change in Input Prices for Current Year

*Question first asked in 2020.

Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
Price Changes Expected by Service Firms

New York Fed Regional Business Surveys

Average Expected Change in Input Prices for Next Year

- Wages
- Employee benefits
- Rent*
- Insurance (liability, fire, ...)
- Outside Services
- Other Operating Costs*
- Energy
- Other commodities
- Overall

*Question first asked in 2020.

Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
Price Changes Reported by Manufacturers

New York Fed Regional Business Surveys

Average Reported Change in Input Prices for Current Year

*Question first asked in 2020.
Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
Price Changes Expected by Manufacturers

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*Question first asked in 2020.
Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
Office Vacancy Rates

Overall Vacancy Rates

Source: Cushman & Wakefield.

Shading indicates NBER recessions.
Home Prices
CoreLogic Home Price Index, Seasonally Adjusted

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

CoreLogic Home Price Index, Seasonally Adjusted

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

CoreLogic Home Price Index, Seasonally Adjusted

Percent Change Since Mar 2006

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

CoreLogic Home Price Index, Seasonally Adjusted

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