



FEDERAL RESERVE BANK *of* NEW YORK

Regional Economic Press Briefing

June 27, 2013

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

Regional Economic Conditions

Jason Bram, Senior Economist

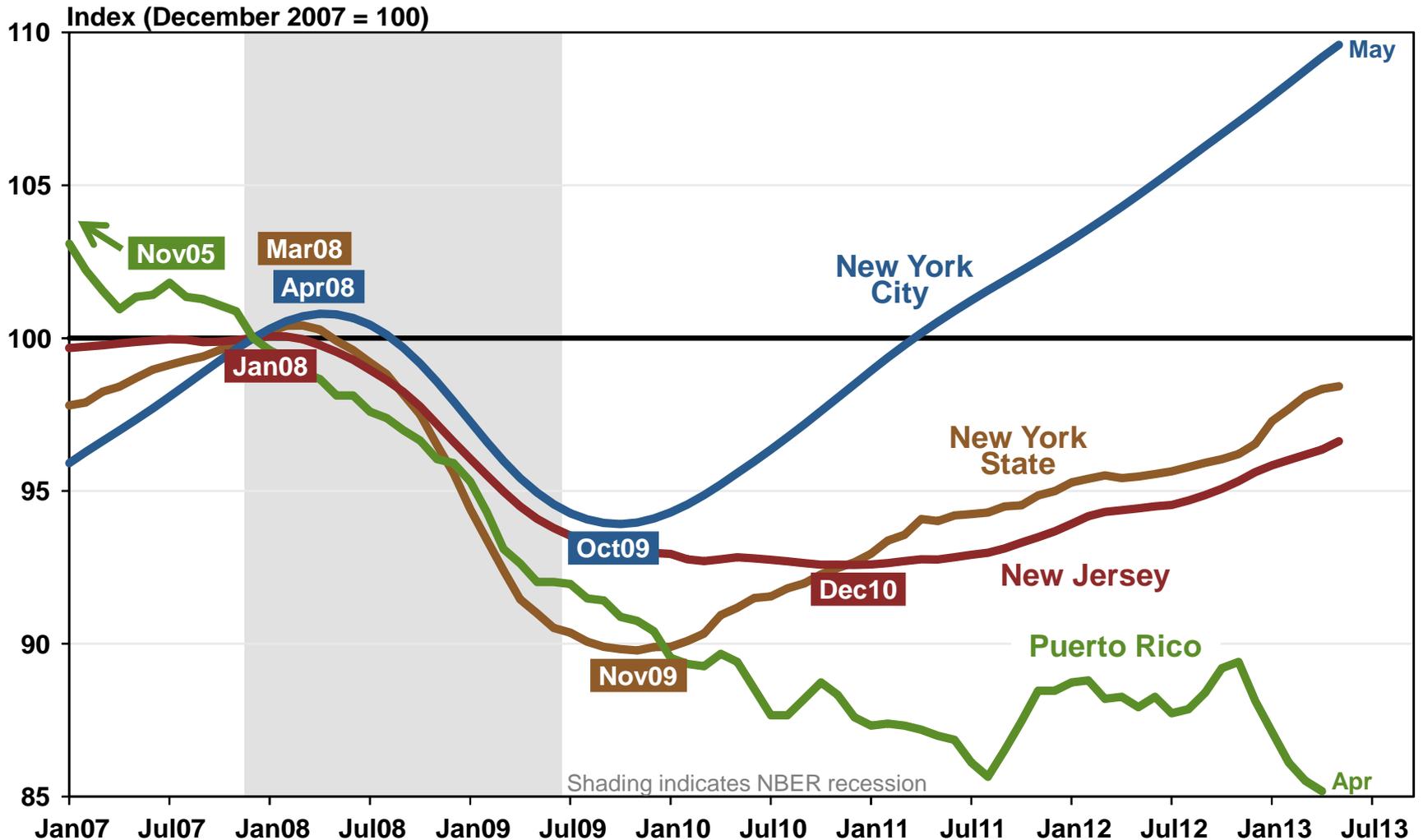
Overview

- Regional economy on the rebound
 - New York City, Long Island on a solid growth trajectory
 - New Jersey, Upstate New York, Fairfield County growing moderately
 - Puerto Rico appears to be back in a downturn
- Update on sectors that have lagged
 - State & local government job cuts continue in some but not all of the region
 - New York City's brisk recovery continues to get little help from Wall St.
 - Construction & housing had weighed down recovery but are now reviving



Regional Economic Activity

Index of Coincident Economic Indicators (CEI)

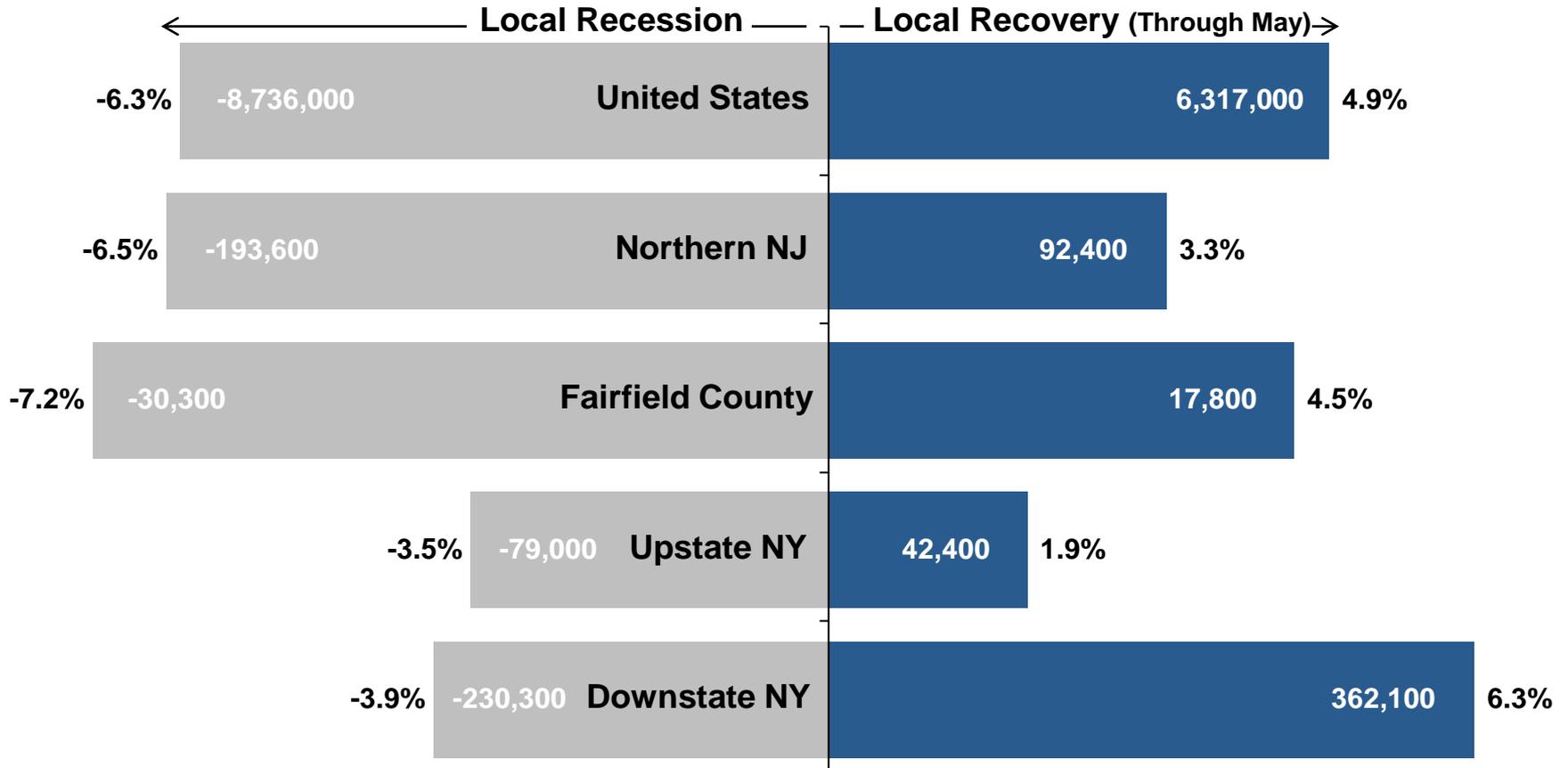


Source: Federal Reserve Bank of New York; Puerto Rico Government Development Bank

Note: The Puerto Rico composite index is based on a different methodology than the indexes produced by the FRBNY.

Job Change During Recession and Recovery

Local Peak to Local Trough and Local Trough to May 2013

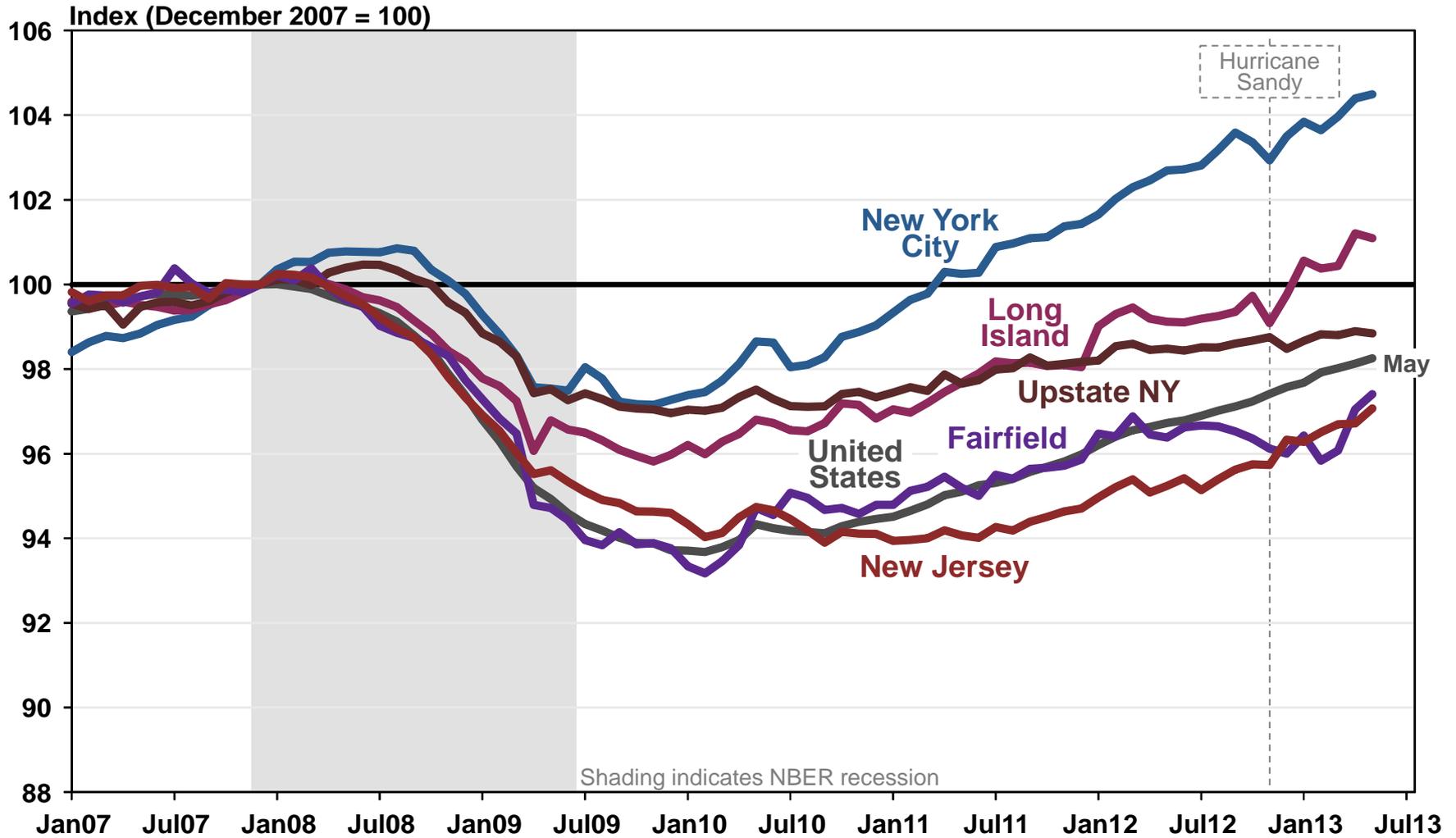


Source: U.S. Bureau of Labor Statistics and Moody's Economy.com

Note: Northern NJ includes the Edison and Newark metro divisions and the Bergen-Hudson-Passaic special BLS area. Downstate NY includes the Poughkeepsie and Kingston MSAs, the Putnam-Rockland-Westchester special BLS area, New York City, and Long Island. Upstate NY includes the Buffalo, Rochester, Albany, Syracuse, Binghamton, Ithaca, Elmira, and Glens Falls MSAs.

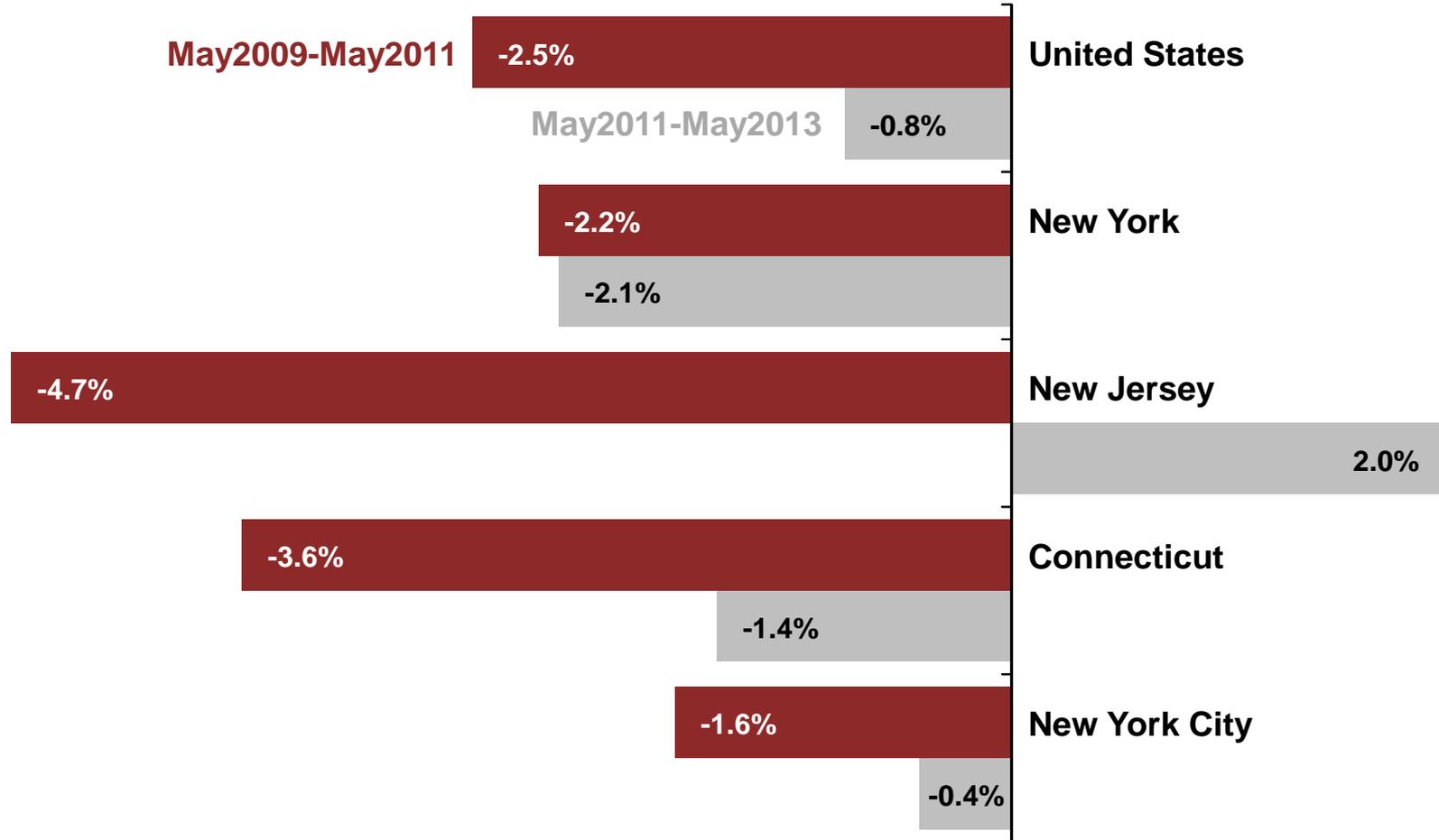
Total Employment

Seasonally Adjusted Index



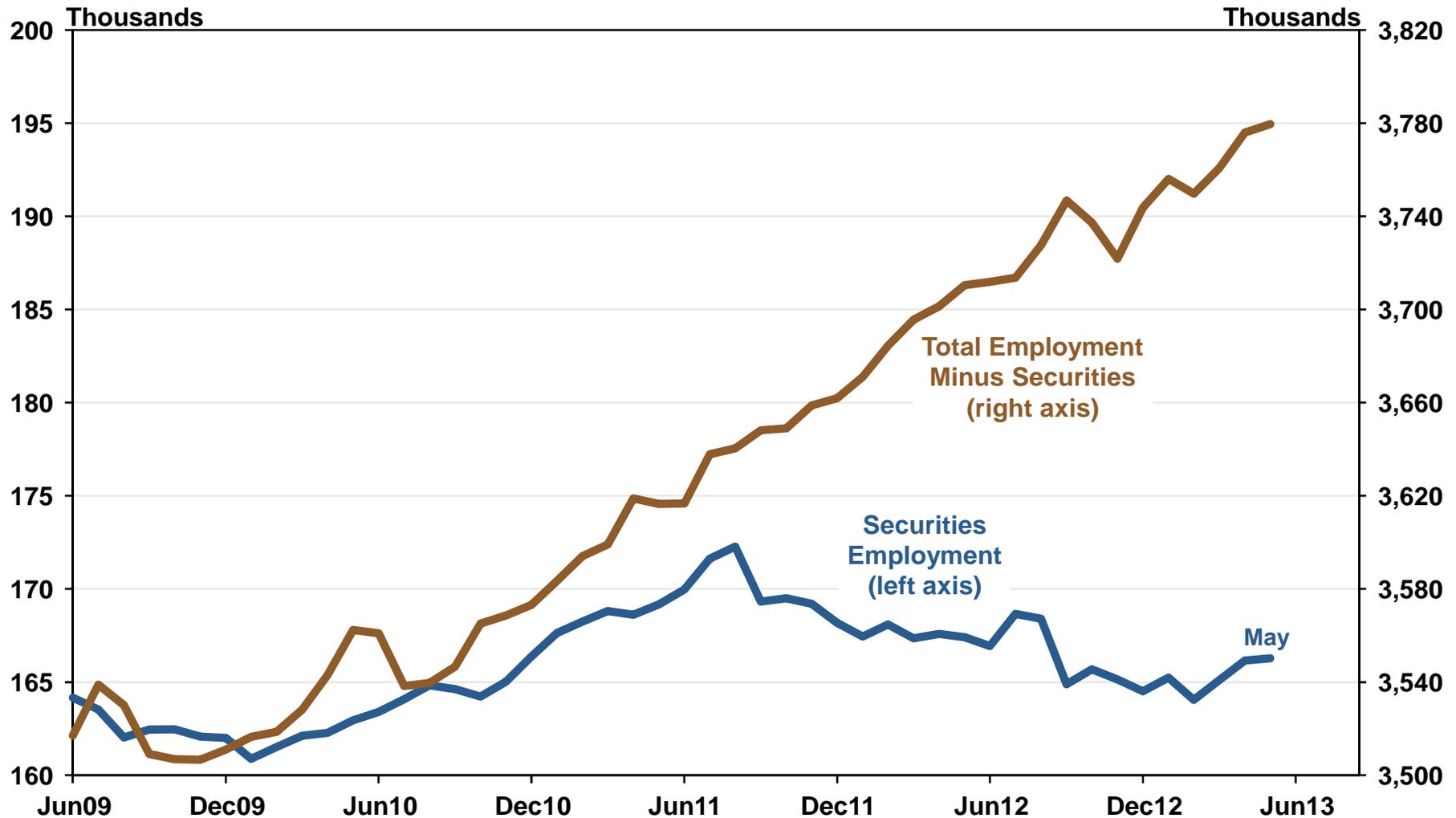
State & Local Government Employment

Percent Change Over Past Two Years and Two Previous Years



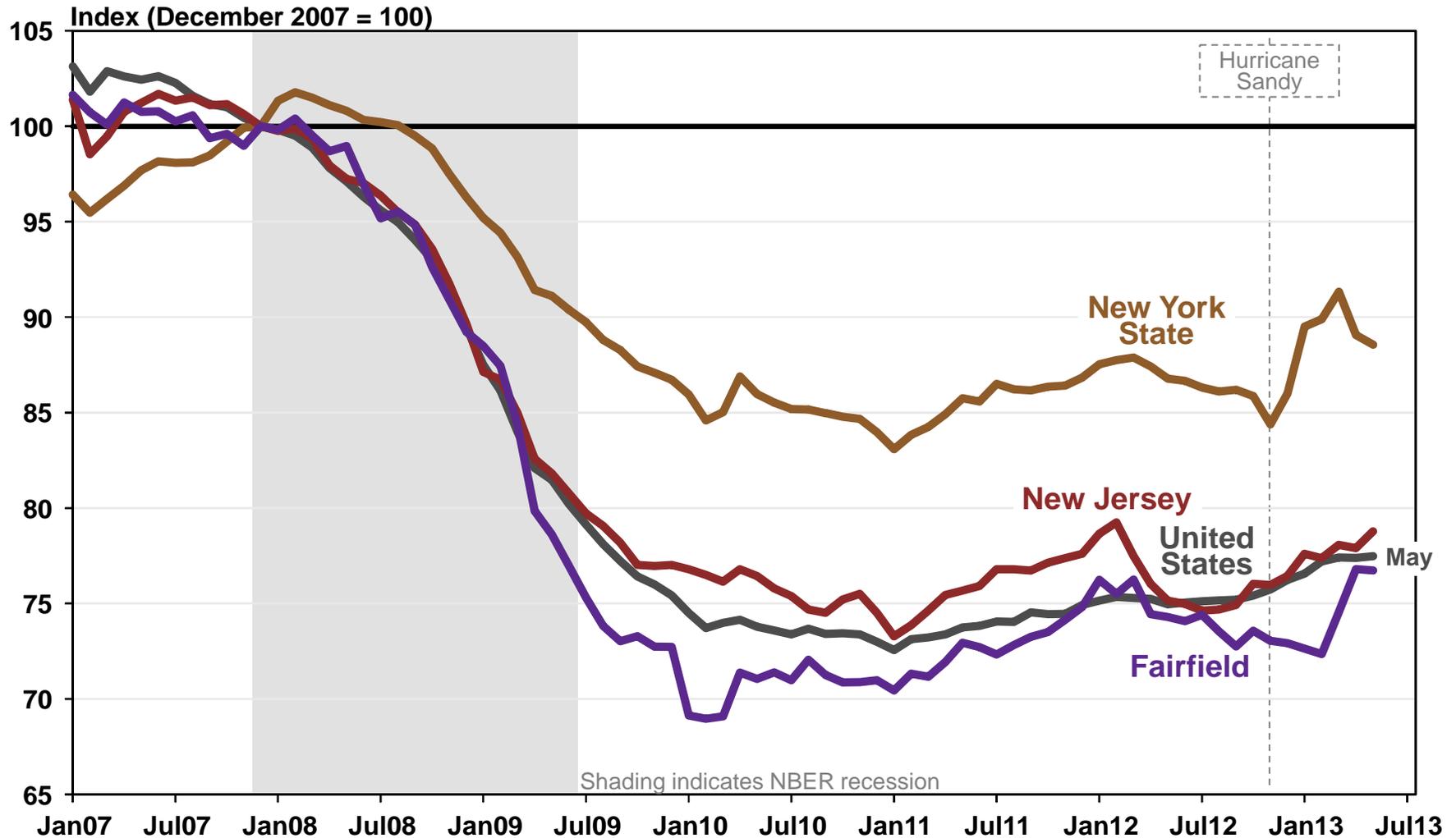
New York City Securities Employment

Seasonally Adjusted Levels



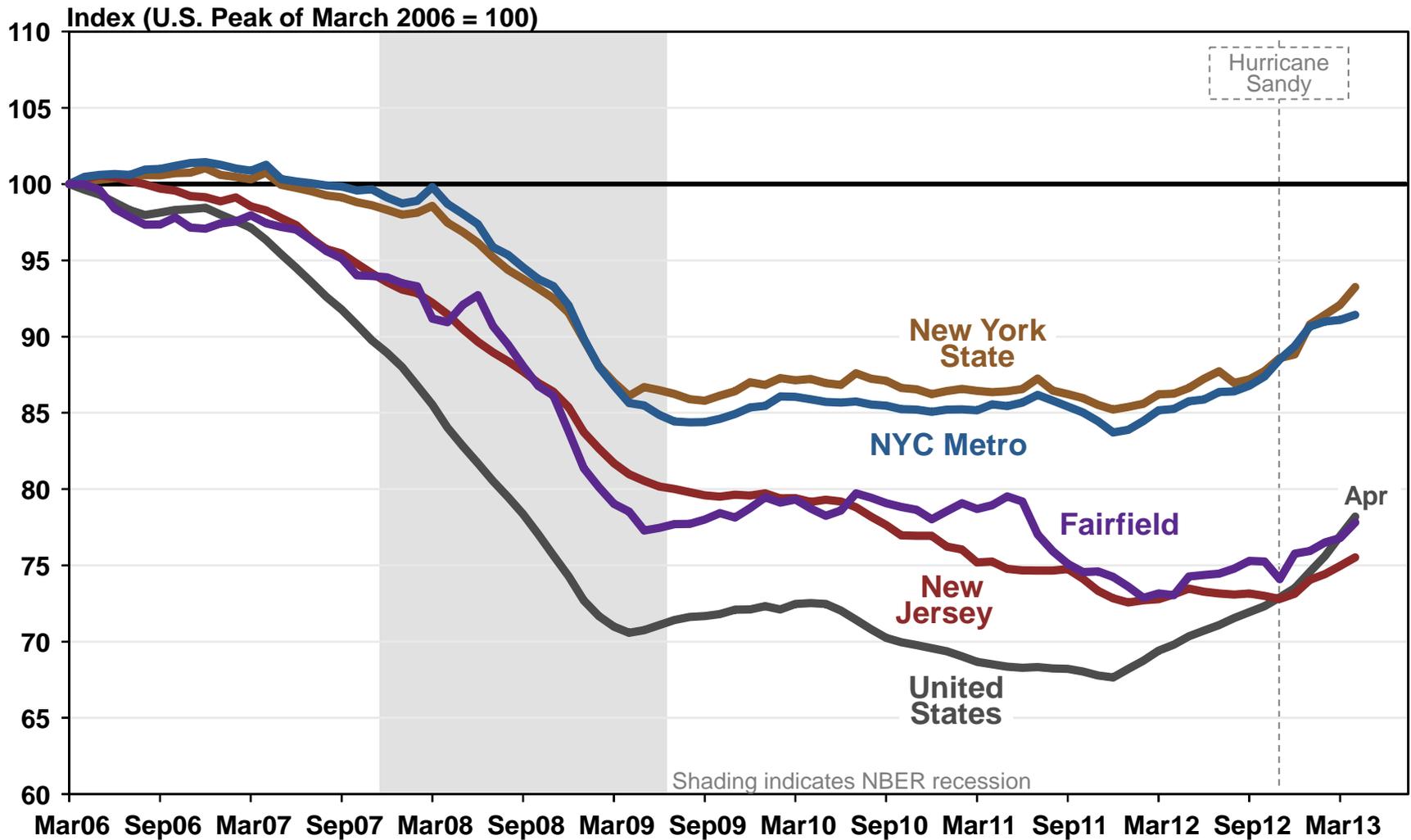
Construction Employment

Seasonally Adjusted Index



Regional Home Price Trends

CoreLogic Home Price Index, Seasonally Adjusted



Source: CoreLogic Home Price Index (including distressed sales); Seasonally adjusted by FRBNY staff
Note: 'NYC Metro' refers to the 'New York-White Plains-Wayne NY-NJ Metro Division'.

Conclusion

- Economic recovery has continued across the tri-state region
- New York metro region snapped back quickly from Sandy
- Drag from housing finally appears to be behind us



Are Recent College Graduates Finding Good Jobs?

Richard Deitz, Assistant Vice President

Overview

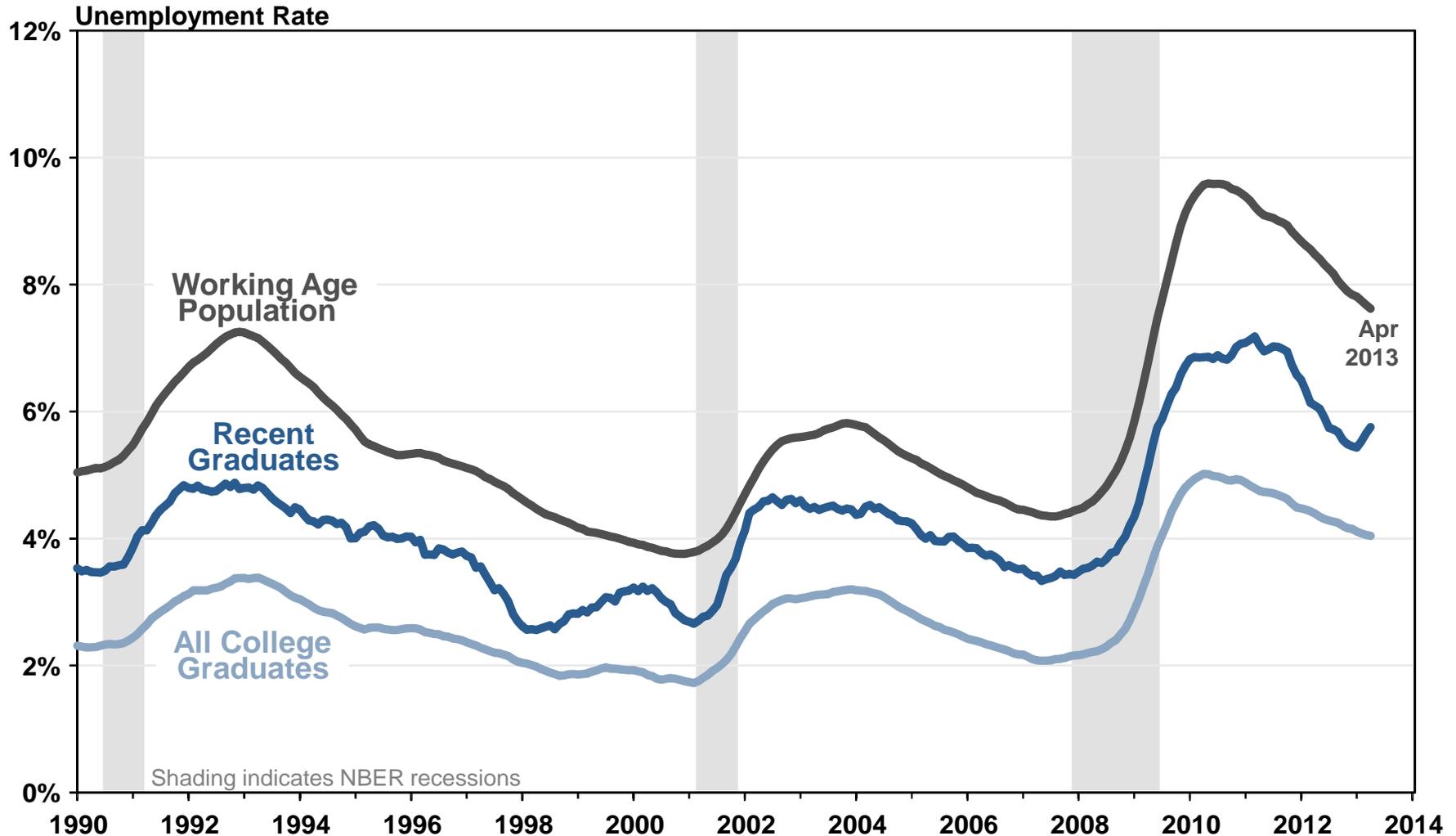
- How bad is unemployment and underemployment for recent college graduates?
- How have recent college graduates in our region fared?
- Are recent college graduates in some majors having better outcomes than others?



How Bad is Unemployment and Underemployment for Recent College Graduates?

U.S. Unemployment Rates

12-Month Moving Average

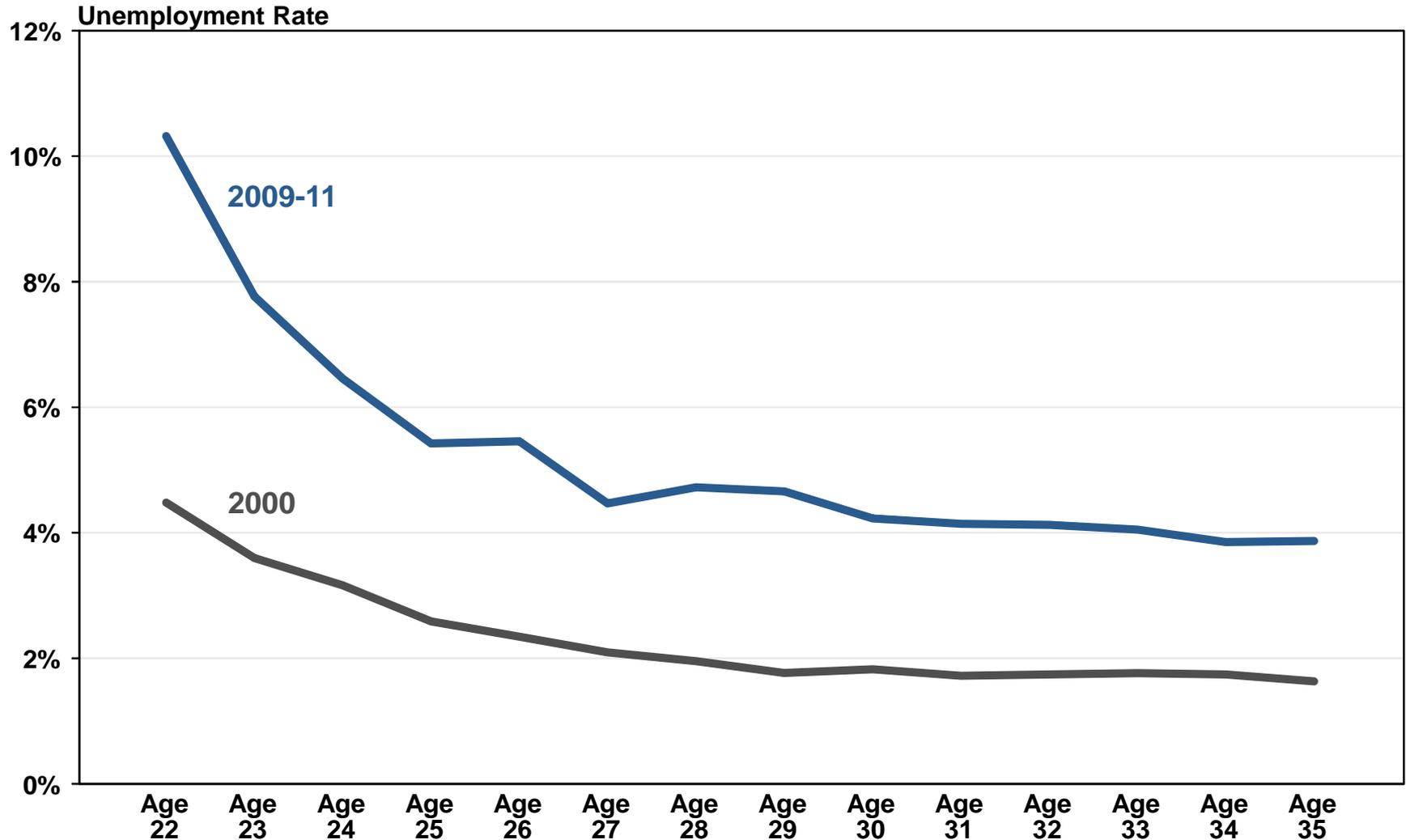


Source: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey.

Note: College graduates are those with a BA degree or higher; recent college graduates are those aged 22-27; figures exclude those currently enrolled in school.

U.S. Unemployment Rate by Age

College Graduates



Source: U.S. Census Bureau, American Community Survey.

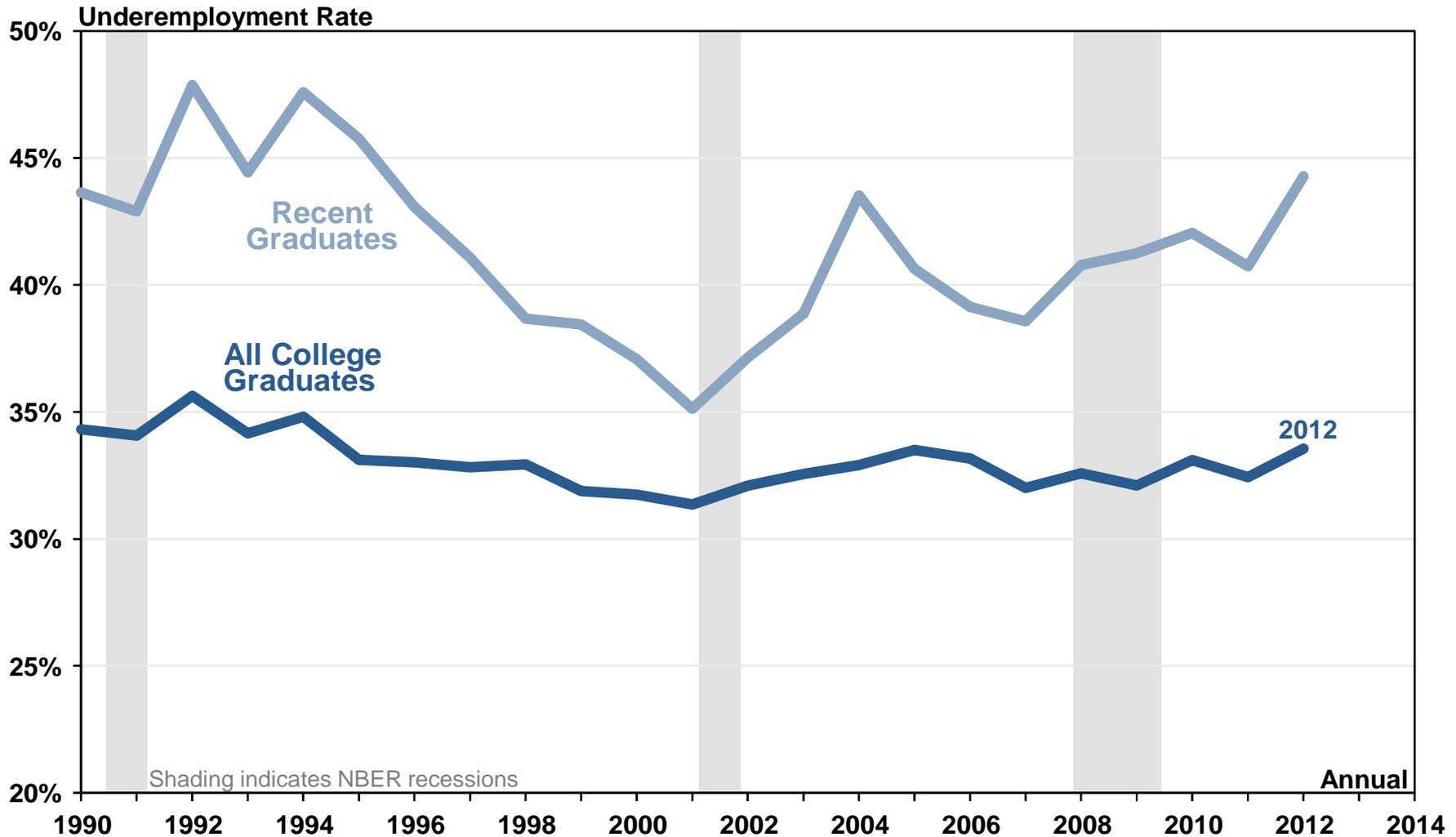
Note: College graduates are those with a BA degree or higher; figures exclude those currently enrolled in school.

College Graduate Underemployment

- Classify jobs into two categories based on information from the Department of Labor:
 - **Bachelor's degree required:**
 - e.g., pharmacist, social worker, software developer
 - **Bachelor's degree not required:**
 - e.g., retail salesperson, food server, electrician, health care technician
 - Graduates working in these jobs are considered ***underemployed***

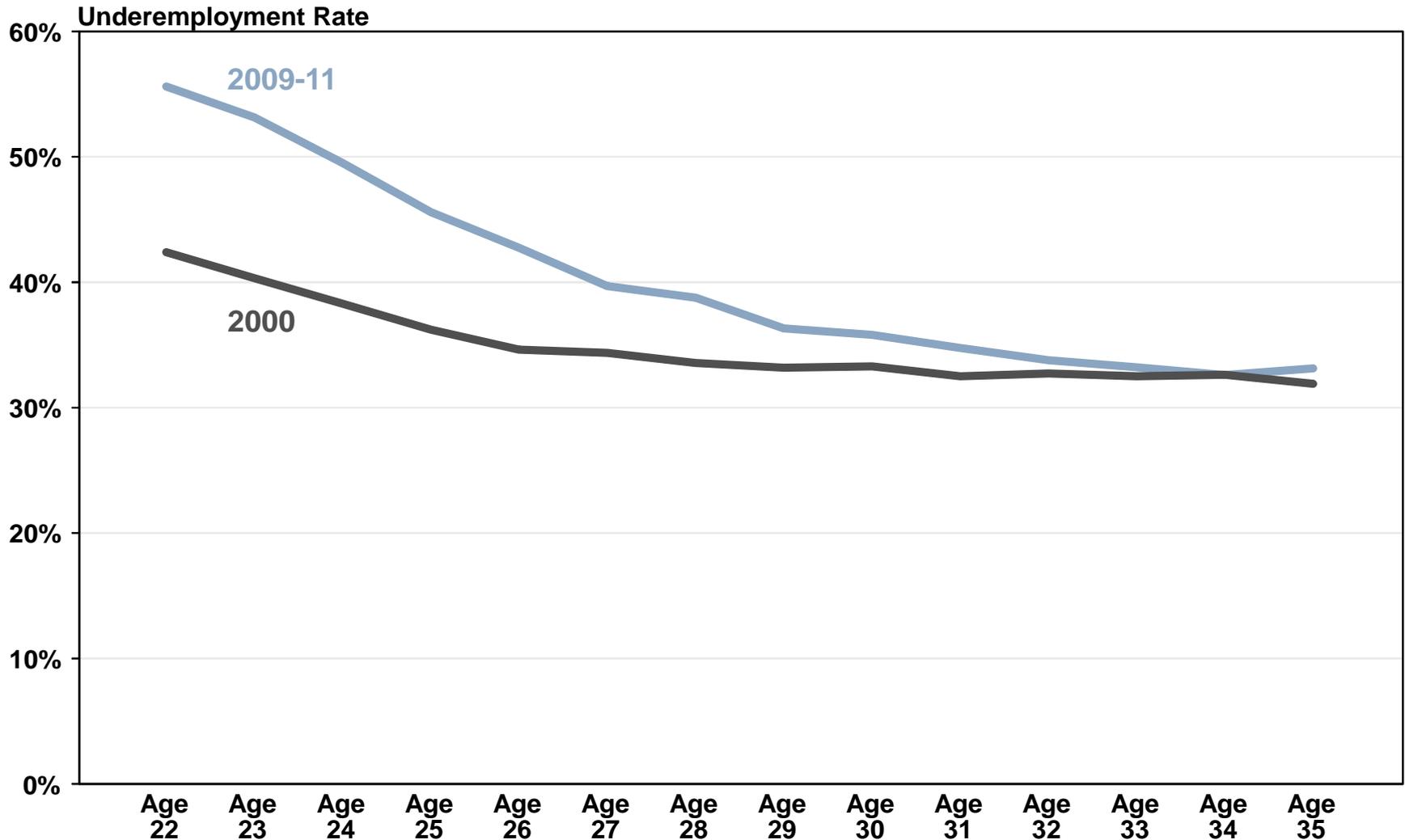


U.S. Underemployment Rates



U.S. Underemployment Rate by Age

College Graduates



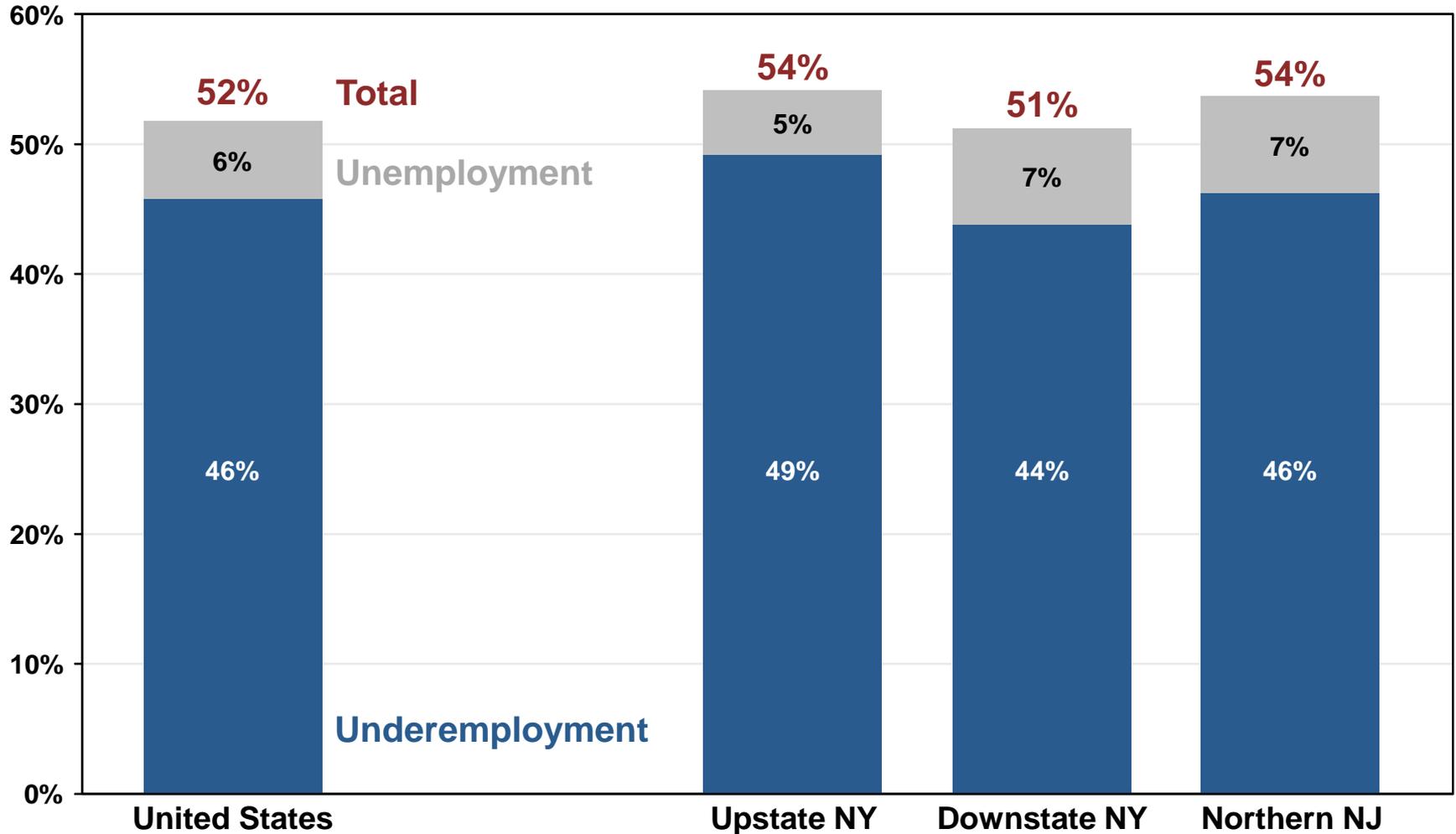
Source: U.S. Census Bureau, American Community Survey; U.S. Department of Labor, O*NET.

Note: College graduates are those with a BA degree or higher; figures exclude those currently enrolled in school.

How Have Recent College Graduates in Our Region Fared?

Regional Unemployment & Underemployment

Recent College Graduates, Share of Labor Force, 2009-11



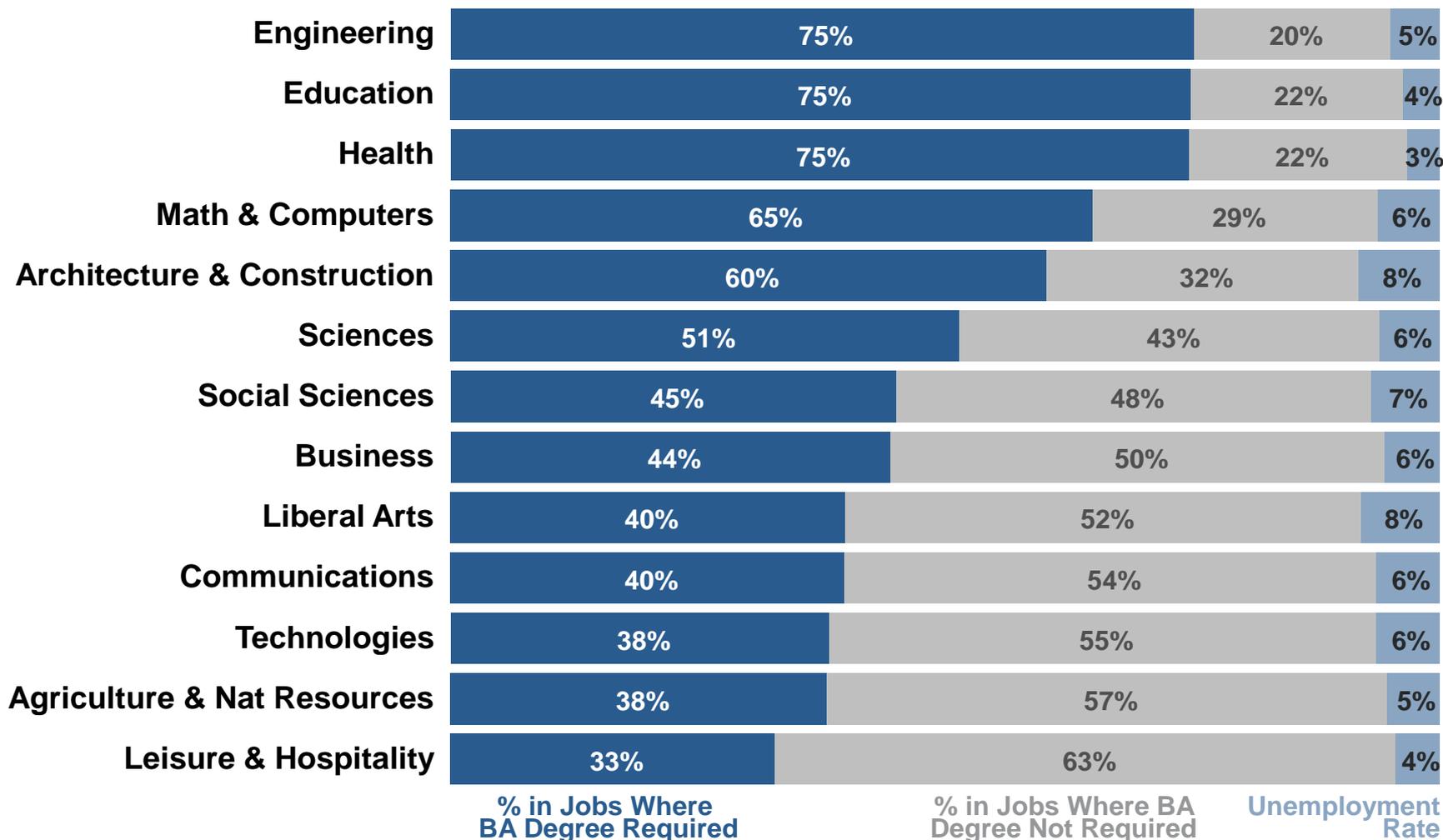
Source: U.S. Census Bureau, American Community Survey; U.S. Department of Labor, O*NET.

Note: Recent college graduates are those with a BA degree or higher aged 22-27; figures exclude those currently enrolled in school.

Are Recent College Graduates in Some Majors Having Better Outcomes Than Others?

Employment Outcomes by Major

Recent College Graduates, Share of Labor Force, 2009-11

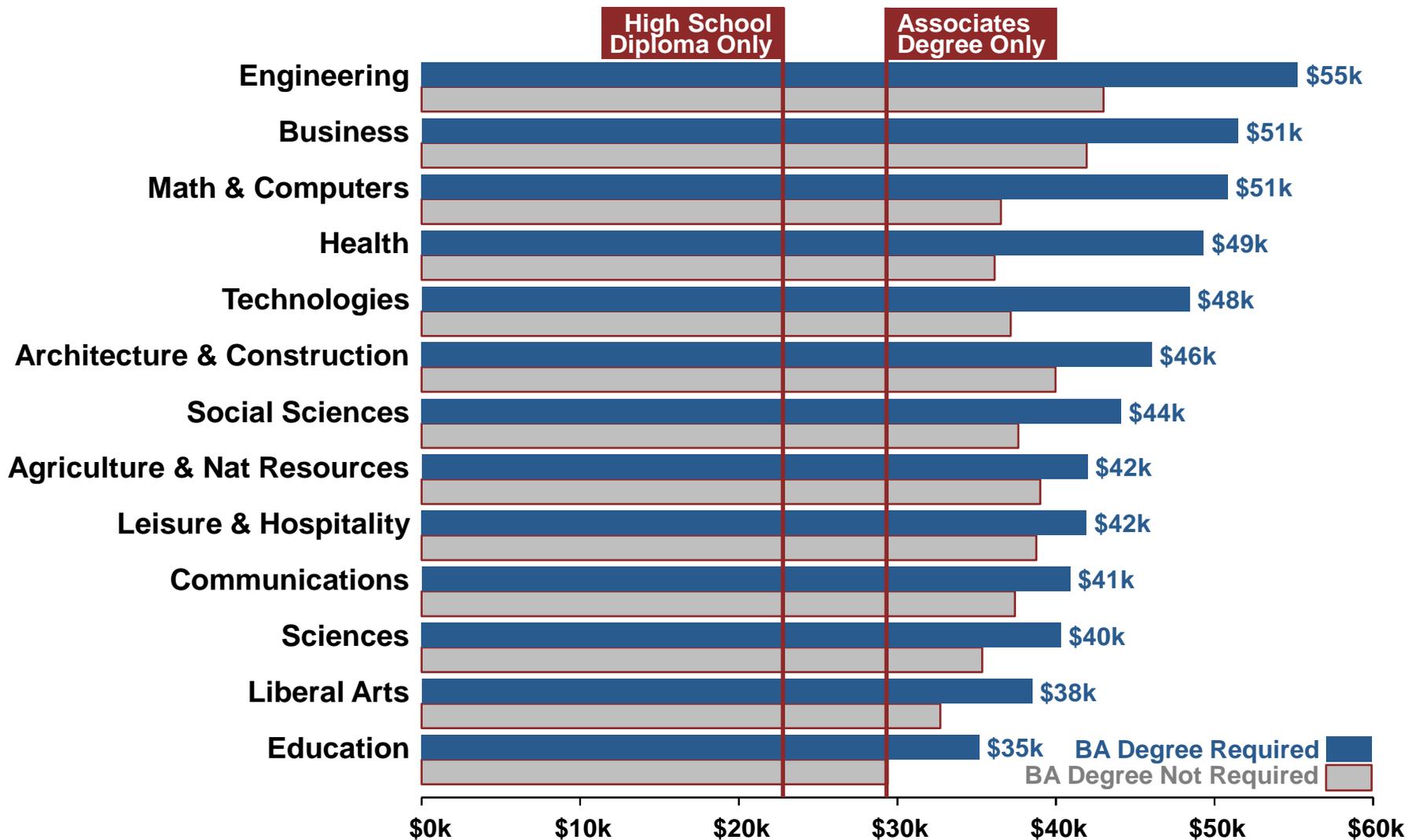


Source: U.S. Census Bureau, American Community Survey; U.S. Department of Labor, O*NET.

Note: Recent college graduates are those with a BA degree aged 22-27; figures exclude those currently enrolled in school and those with a graduate degree.

Average Annual Wages by Major

Recent Graduates, Adjusted for Demographics, 2009-11



Source: U.S. Census Bureau, American Community Survey; U.S. Department of Labor, O*NET.

Note: Estimated using data for those 27 and under; figures exclude part-time workers and those with a graduate degree.

Summary

- Relatively high unemployment and underemployment is not unusual for recent college graduates as it takes time to transition into the labor market.
- However, evidence suggests young college workers have been struggling more in recent years.
- Majors that provide technical training and are geared toward growing parts of the economy have tended to fare better.
- Regardless of major, those with college degrees still tend to have better labor market outcomes than those without.



Appendix

Major Field Groupings

Based on the American Community Survey

Agriculture and Natural Resources

- Agriculture
- Environment and Natural Resources

Architecture and Construction

- Architecture
- Construction Services

Business

- Business

Communications

- Communications

Education

- Education Administration and Teaching

Engineering

- Engineering

Health

- Medical and Health Sciences and Services

Leisure and Hospitality

- Cosmetology Services and Culinary Arts
- Physical Fitness, Parks, Recreation, and Leisure

Liberal Arts

- Area, Ethnic, and Civilization Studies
- English Language, Literature, and Composition
- Fine Arts
- History
- Liberal Arts and Humanities
- Library Science
- Linguistics and Foreign Languages
- Philosophy and Religious Studies
- Theology and Religious Vocations

Math and Computer Sciences

- Computer and Information Sciences
- Mathematics and Statistics

Sciences

- Biology and Life Sciences
- Physical Sciences

Social Sciences

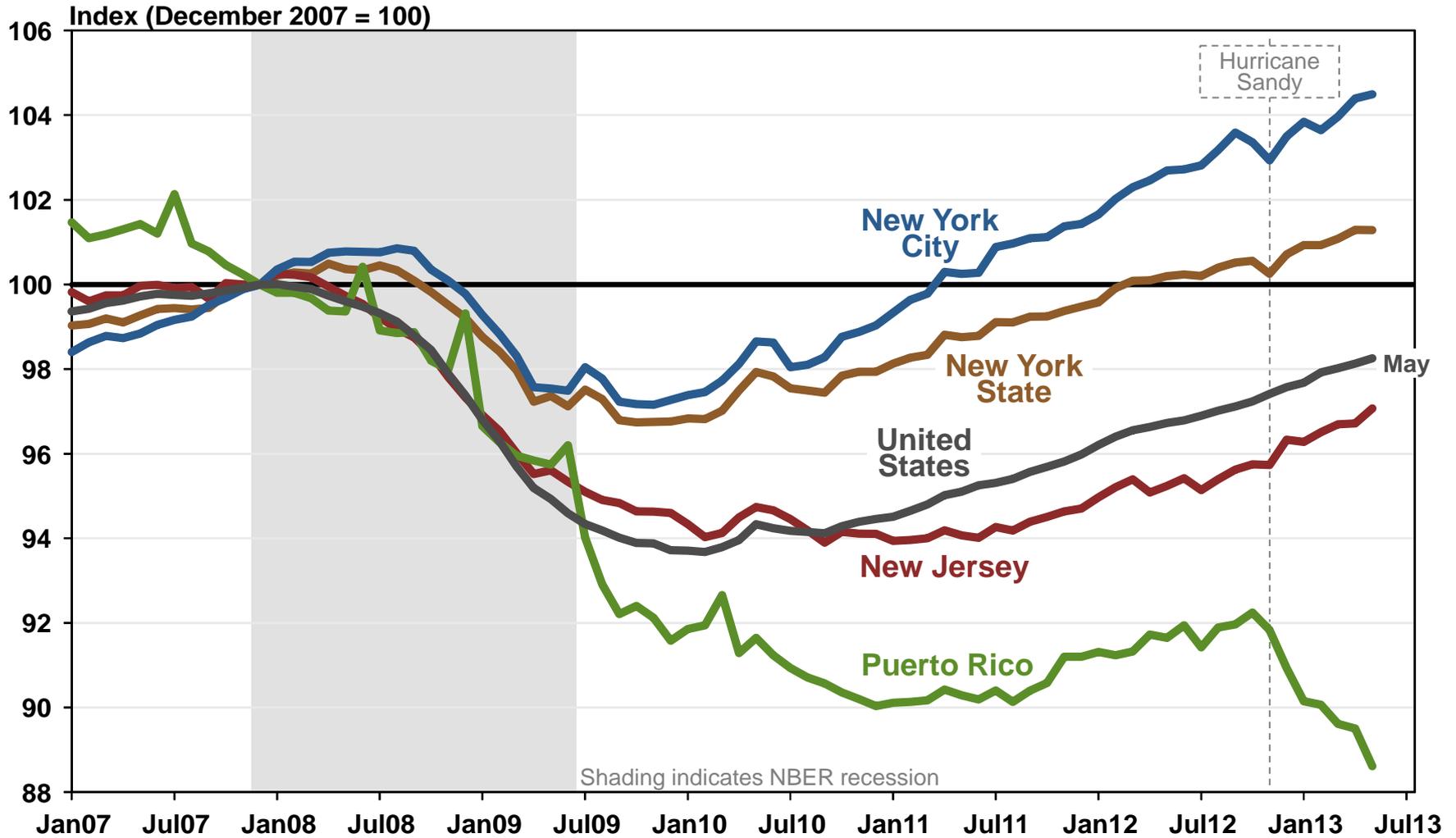
- Criminal Justice and Fire Protection
- Family and Consumer Sciences
- Law
- Psychology
- Public Affairs, Policy, and Social Work
- Social Sciences

Technologies

- Communication Technologies
- Electrical and Mechanic Repairs and Technologies
- Engineering Technologies
- Nuclear, Industrial Radiology, and Biological Technologies
- Transportation Sciences and Technologies

Total Employment

Seasonally Adjusted Index



New York City Securities Employment

Seasonally Adjusted Levels

