



FEDERAL RESERVE BANK *of* NEW YORK

# The Buffalo Economy During the Pandemic

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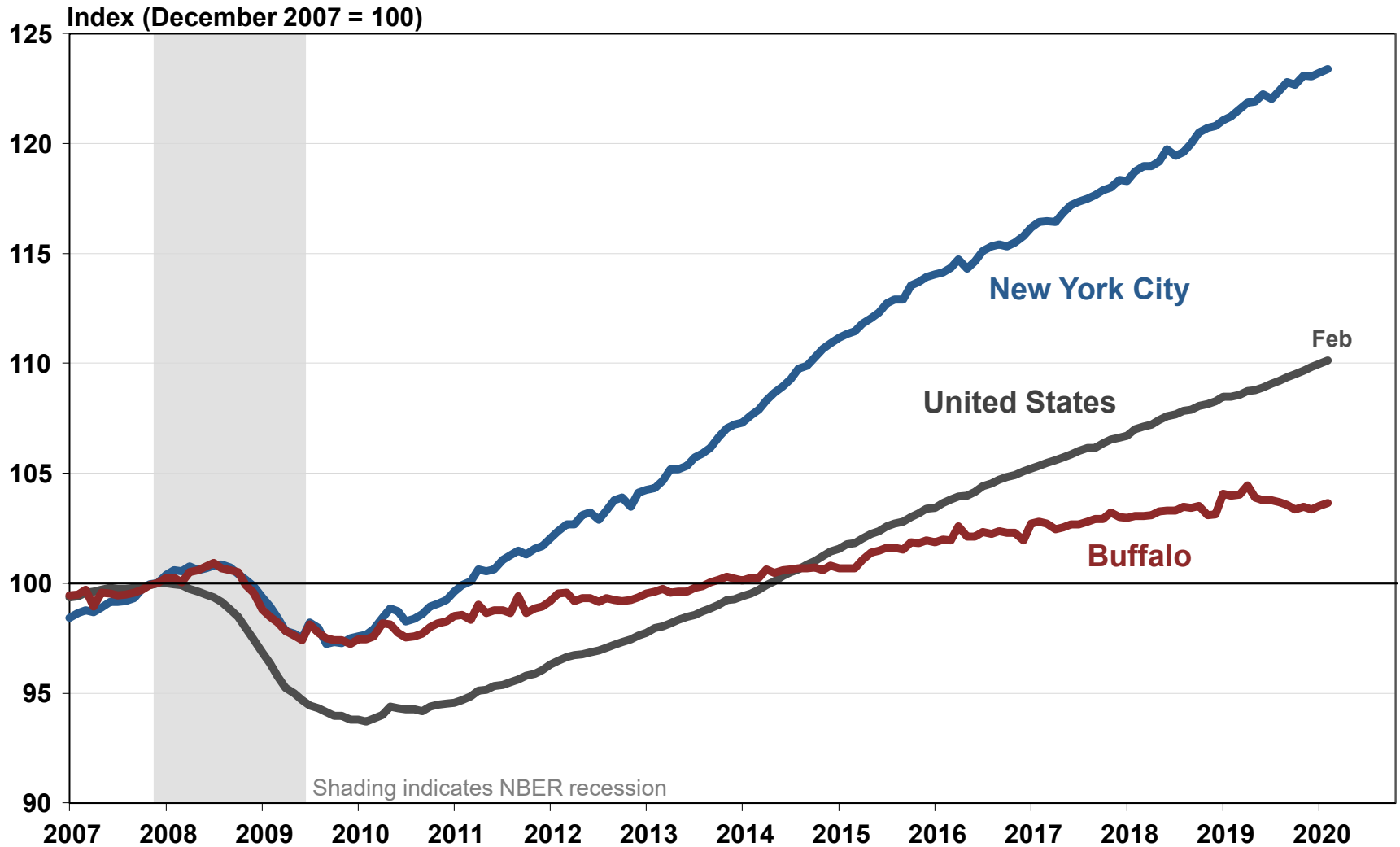
# Overview

- The Buffalo economy has started to show some early signs of recovery after three months of unprecedented decline due to the coronavirus pandemic.
- With the size of the initial shock and stricter policy approach in New York, pandemic-related job losses have been much more severe in Buffalo and the state more generally than in the nation as a whole.
- As non-essential businesses have reopened, many firms have started to recall workers that were furloughed or temporarily laid off and some have even hired new workers. However, even with this recent job growth, employment in the region remains well below pre-pandemic levels.
- Looking ahead, businesses have become optimistic that conditions will improve in the next six months, though from extremely low levels.



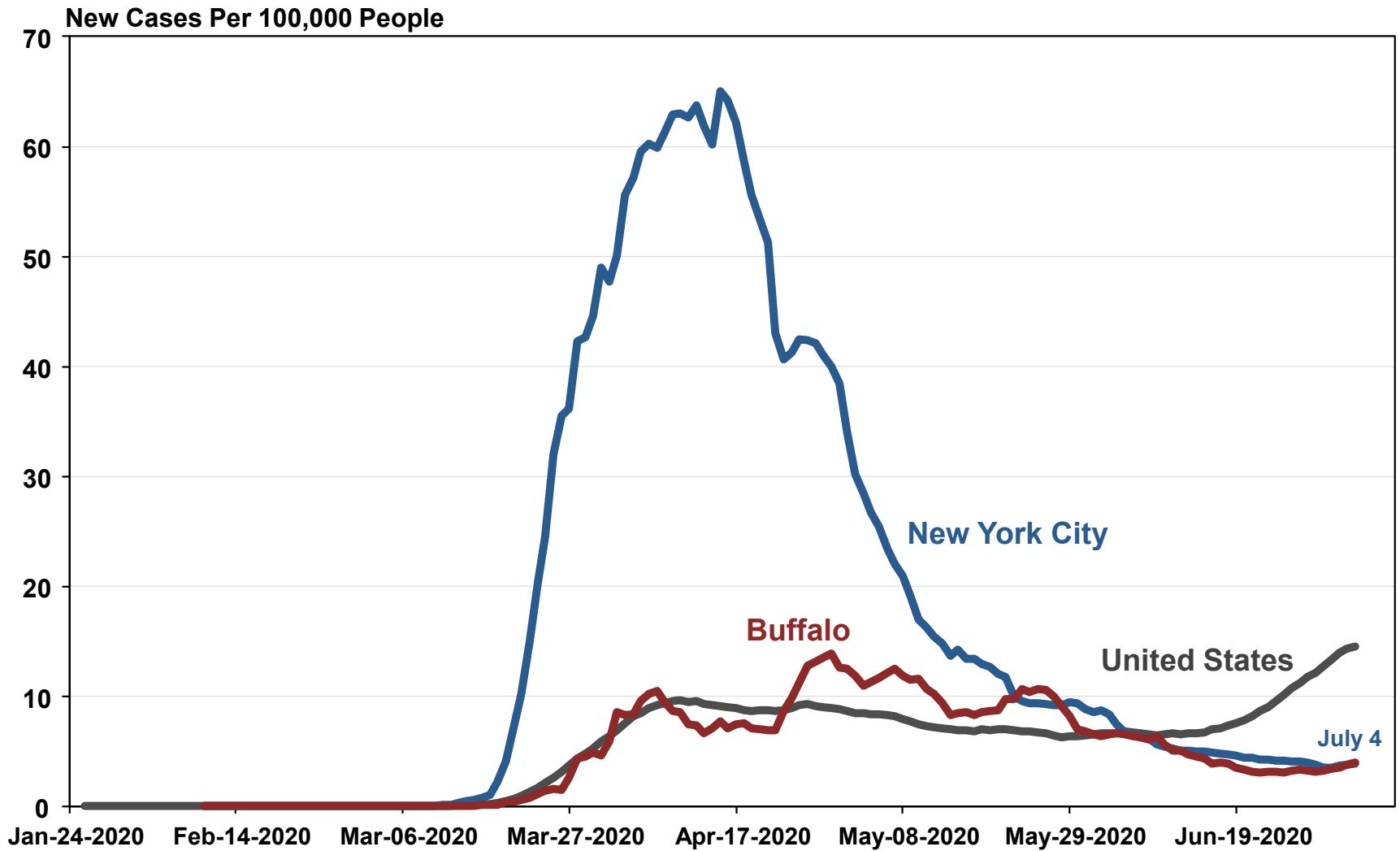
# Economic Conditions Before the Pandemic

## Indexes of Total Employment, Seasonally Adjusted



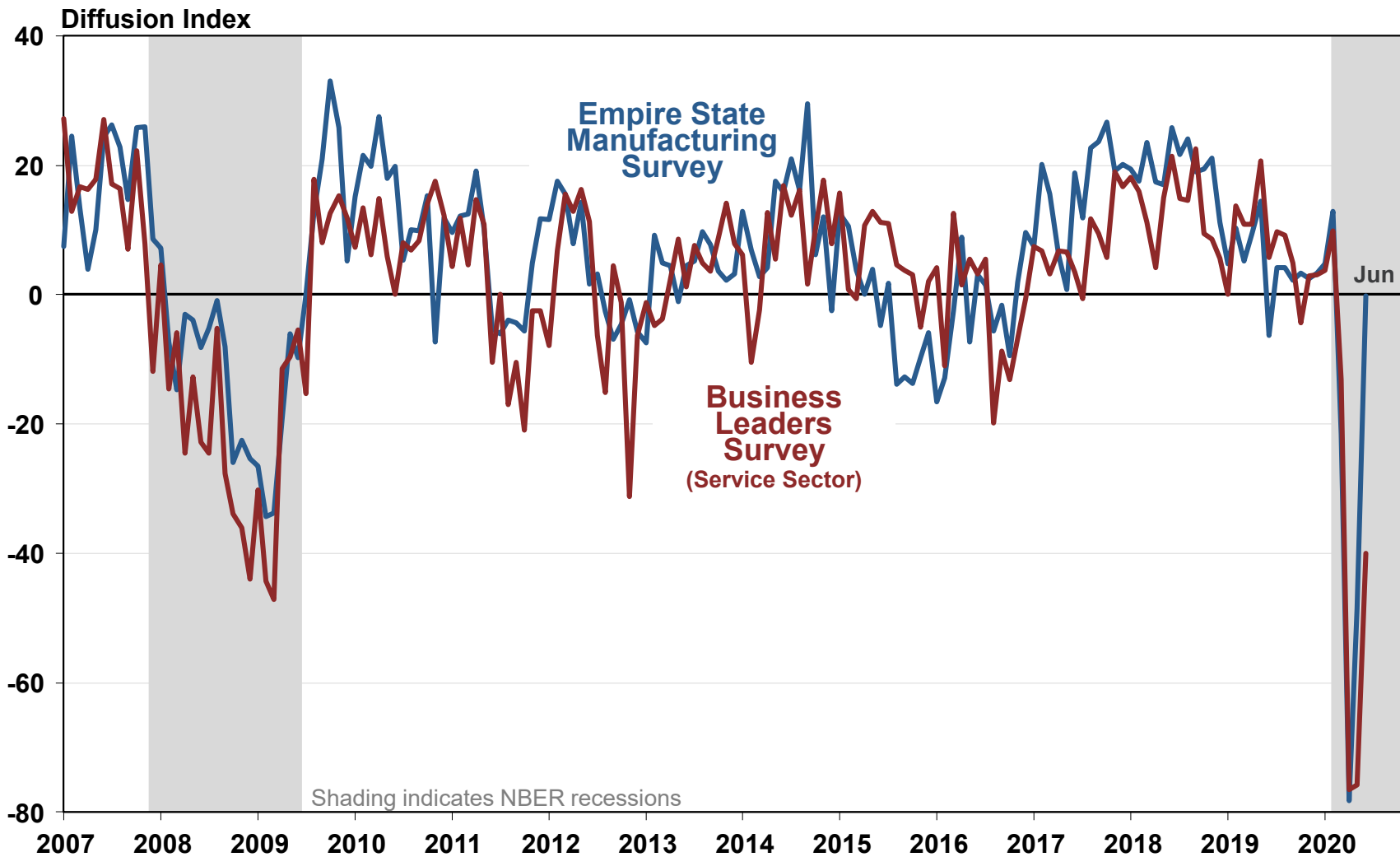
# The Coronavirus Shock

## Daily New Cases Per Capita, 7-Day Average



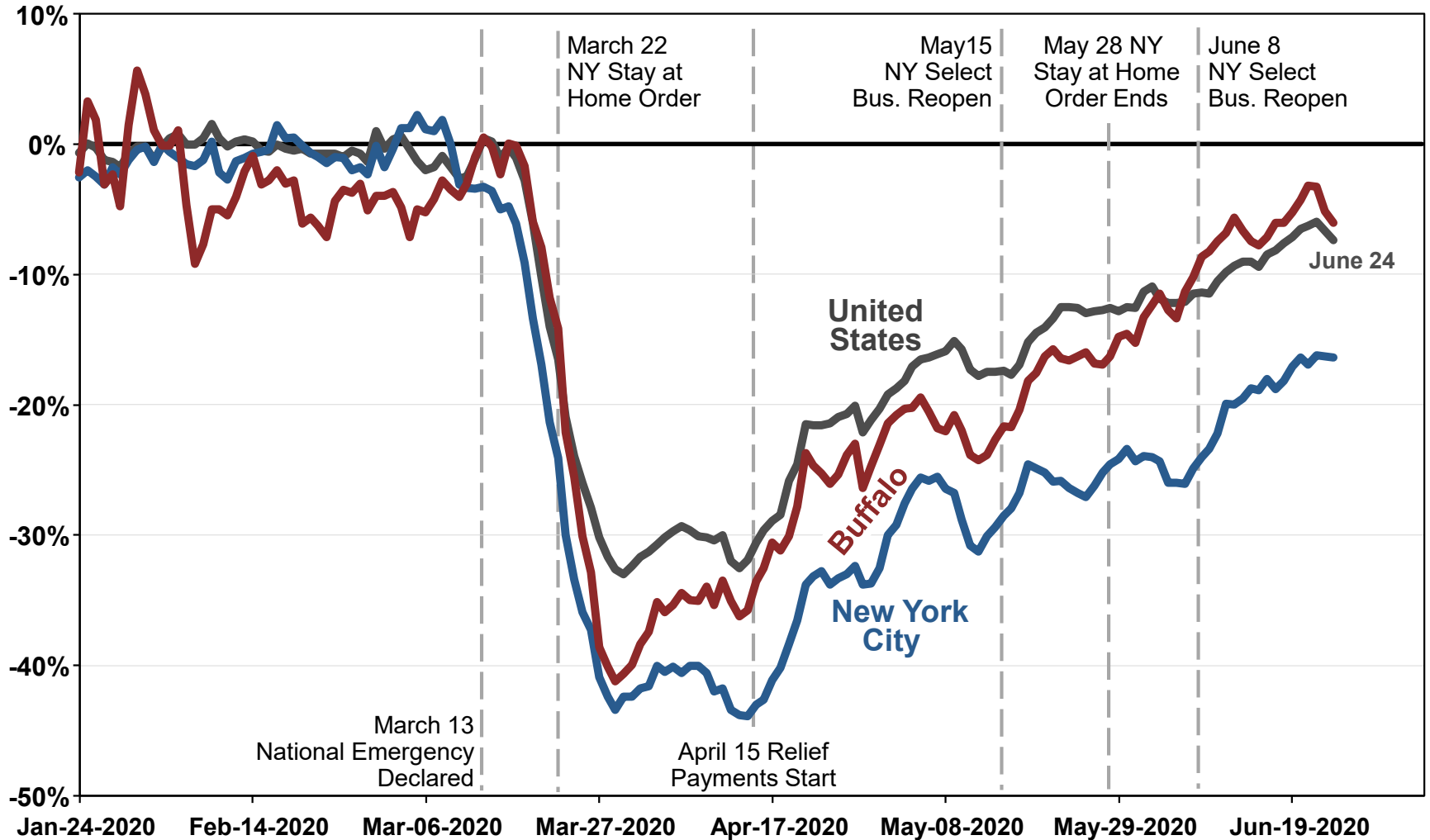
# Historic Plunge in Regional Business Activity

New York Fed Regional Business Surveys, Current Conditions



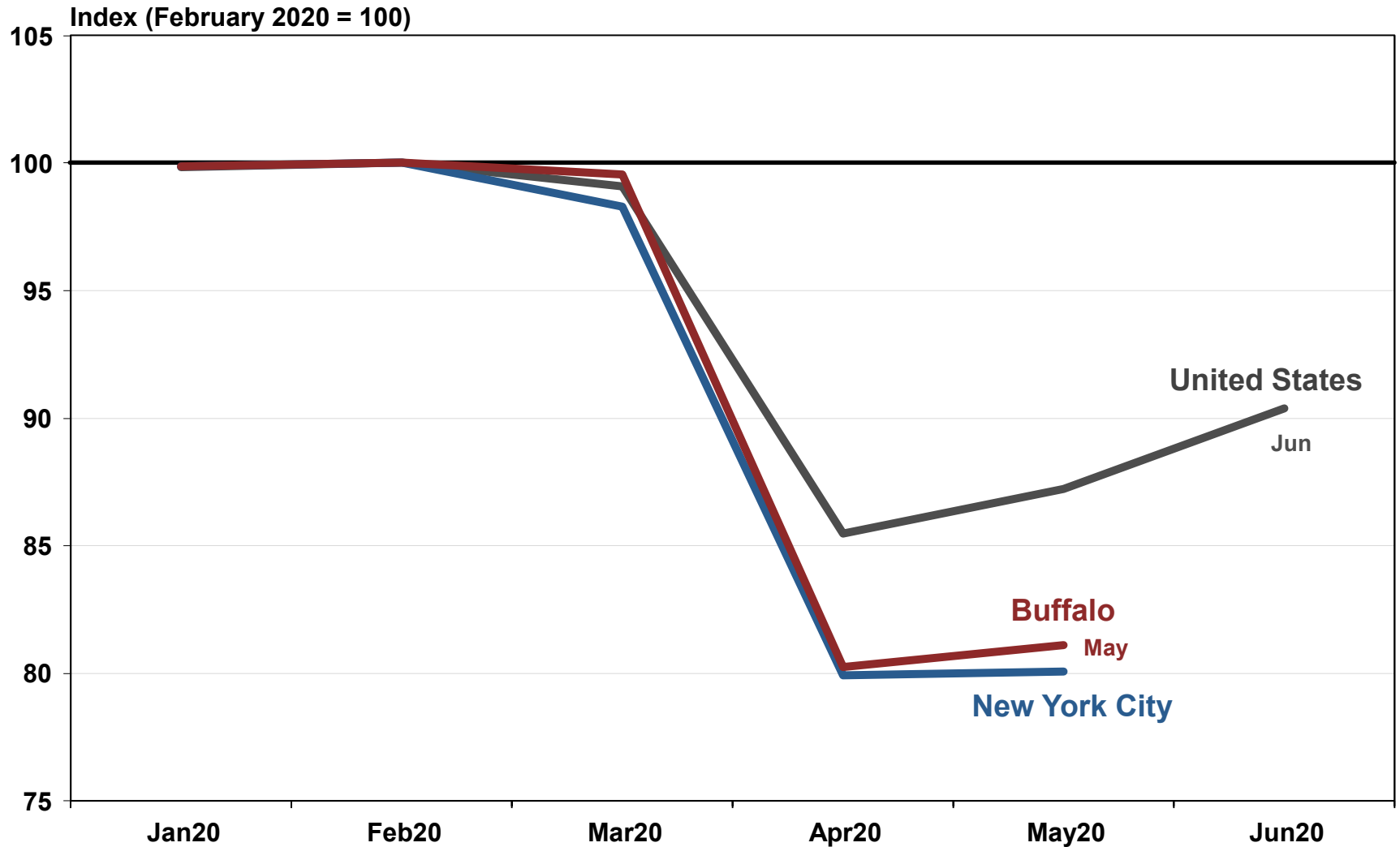
# Sharp Drop in Consumer Spending

Percent Change in Total Spending, Indexed to January 2020



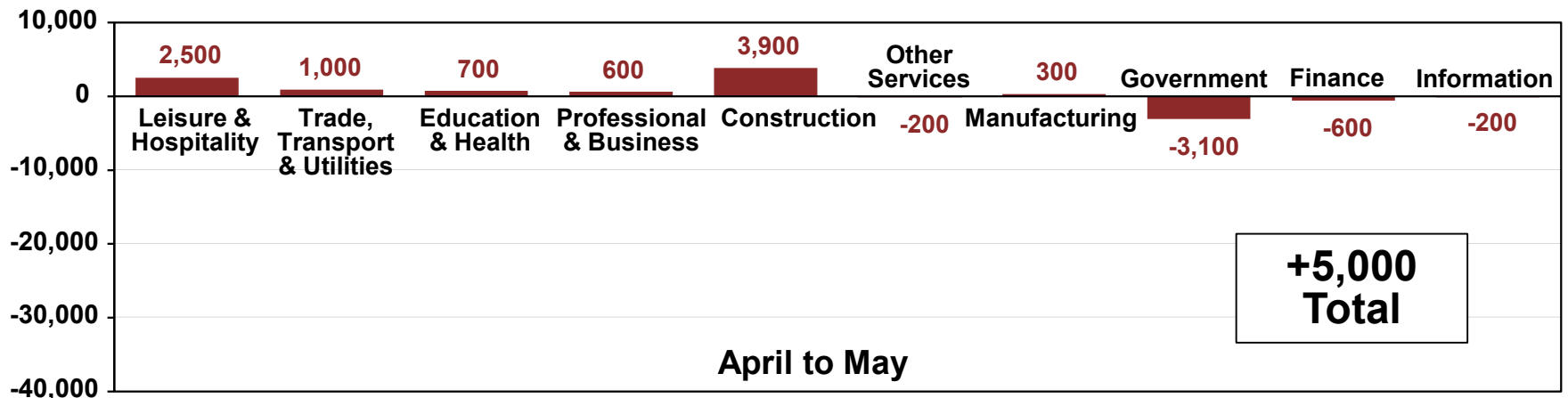
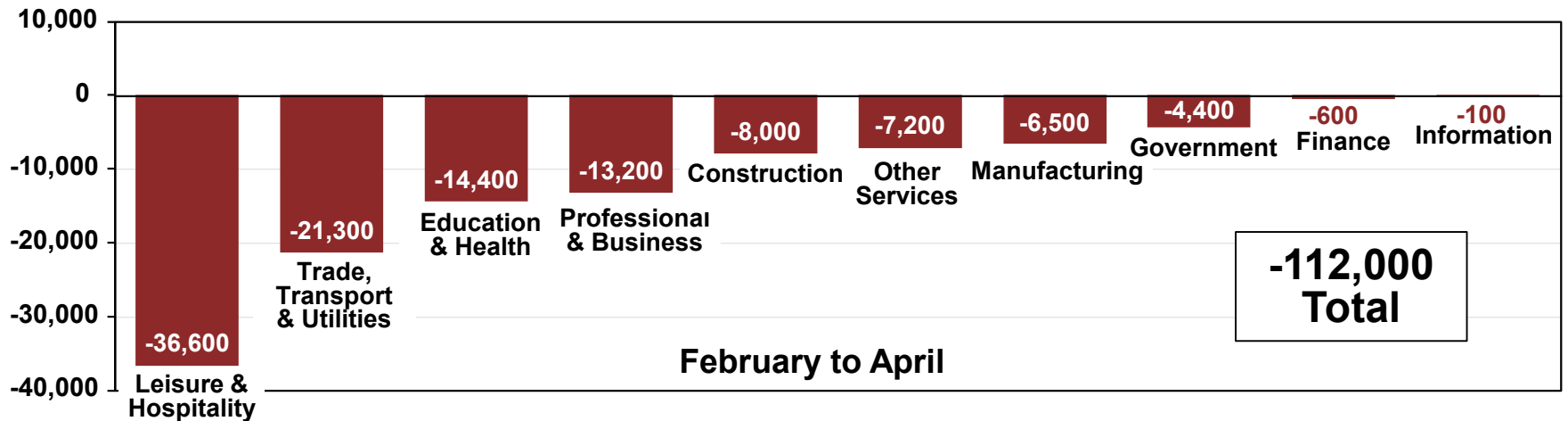
# Steep Job Loss in the Region

Indexes of Total Employment, Seasonally Adjusted



# Job Losses and Gains in Buffalo

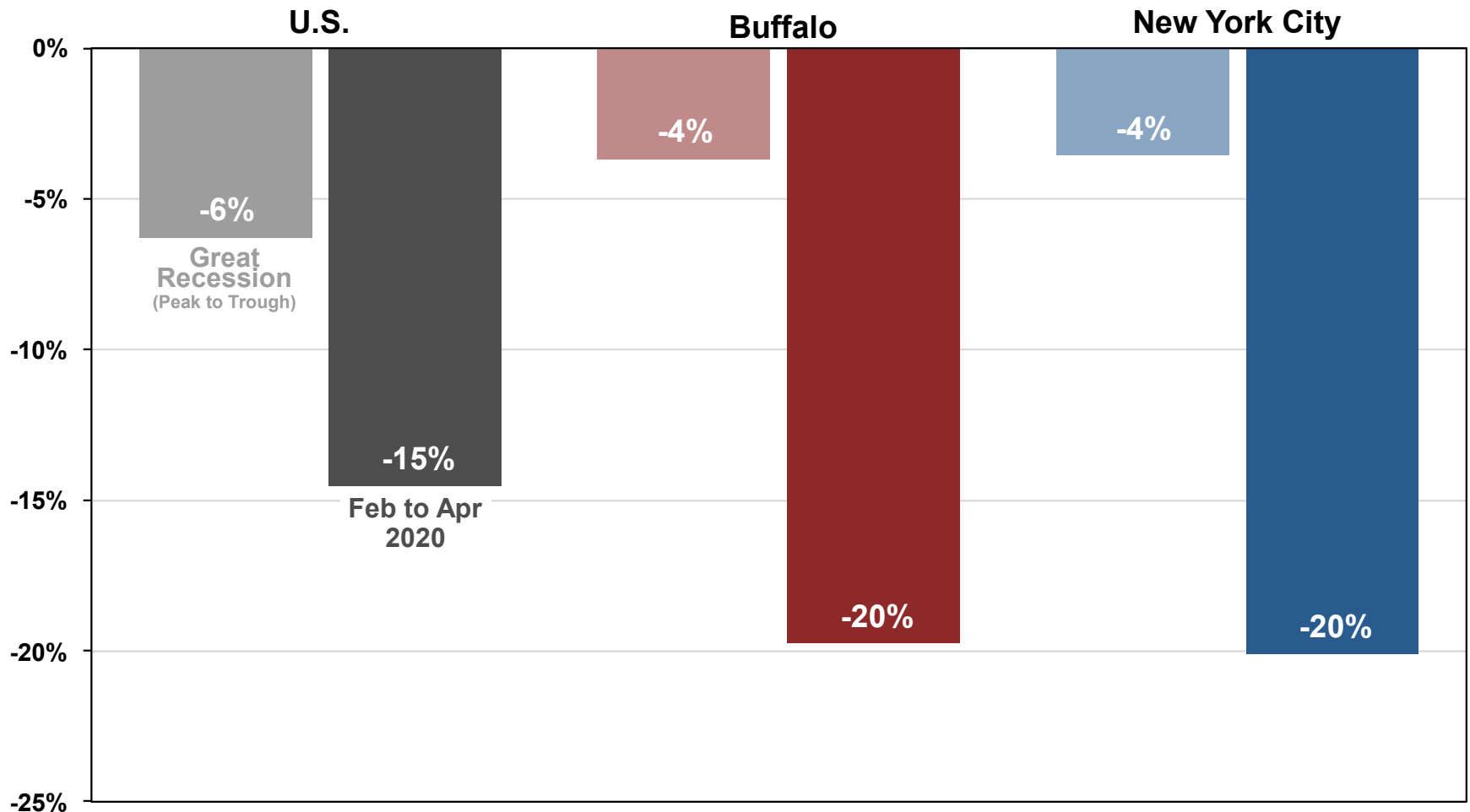
## Change in Employment by Sector





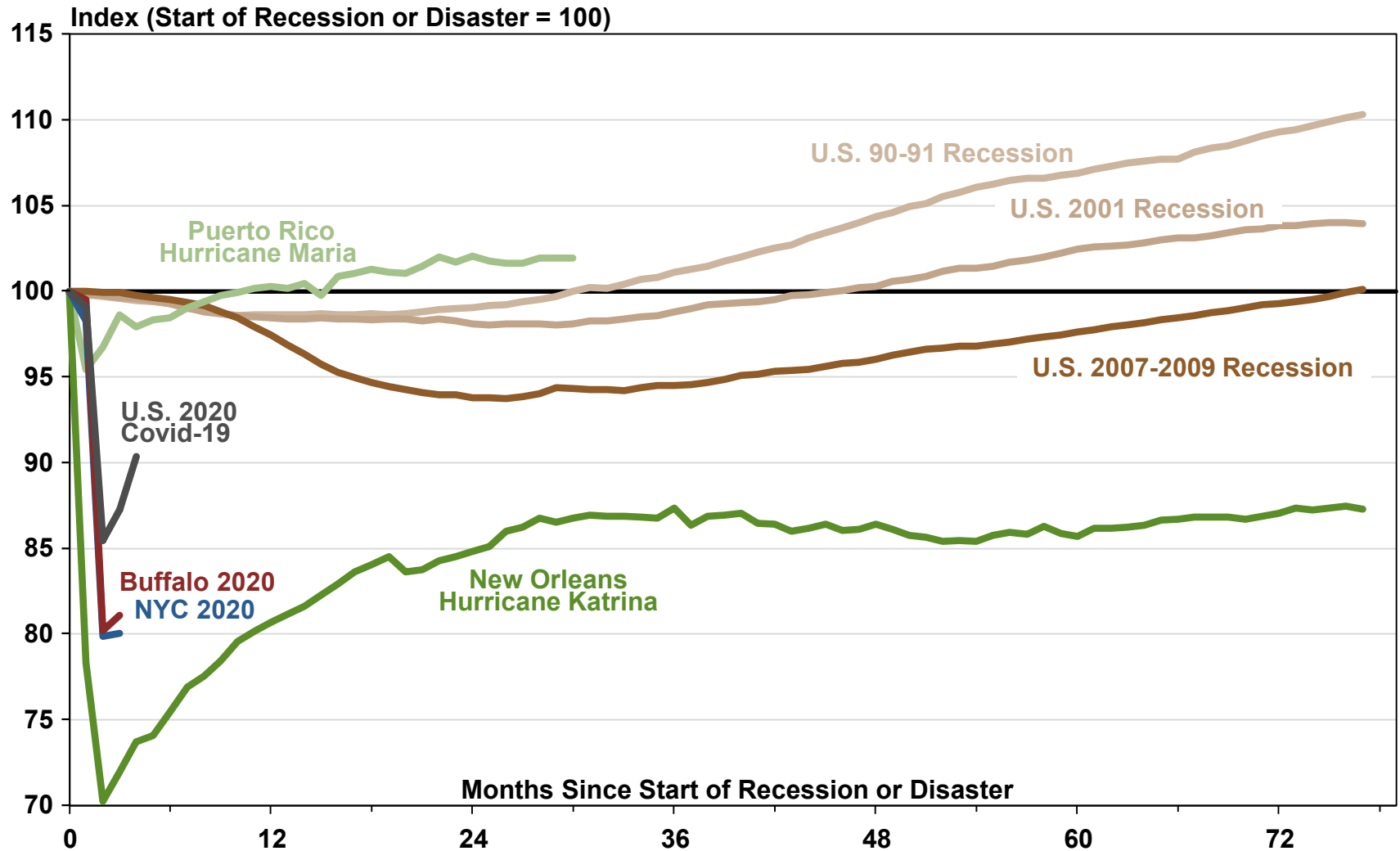
# A Deeper Downturn Than the Great Recession

Percent Decline in Total Employment from Peak to Trough



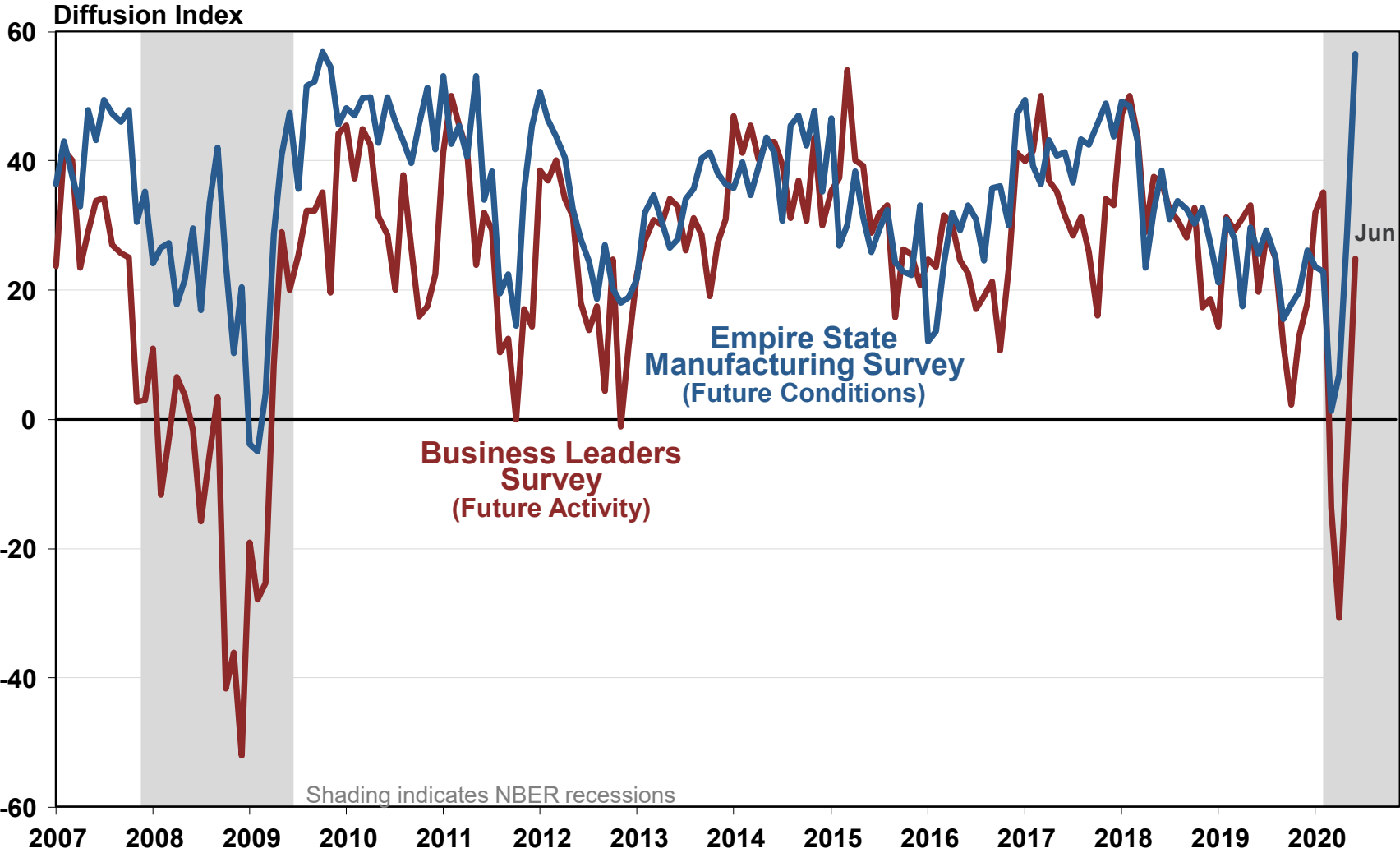
# The Pandemic Resembles a Natural Disaster

## Indexes of Total Employment, Seasonally Adjusted



# Businesses Expect Conditions to Improve

New York Fed Regional Business Surveys, Future Conditions



Shading indicates NBER recessions

Source: Federal Reserve Bank of New York.