

# New York City Economic Snapshot

August 2023

Dear NYC Partner,

As the entity charged with driving the city's economic growth, we are pleased to release our latest monthly Economic Snapshot. This report assembles and highlights data from key sources that we track most closely in measuring the strength of NYC's economy.

A few key points from this month's report include:

- The private sector added 5,600 jobs in July. However, the number of private sector jobs added in June was revised down from +16,600, to +8,100, so the city is still 3,400 jobs away from a full recovery.
- The actors' and writers' strikes are likely having some impact on employment numbers. The Information sector, which has lost 17,300 jobs since May, includes the motion picture and video industries, as well as television broadcasting and cable and other subscription programming. The Arts, Entertainment & Recreation sector also shed 4,300 jobs last month.
- The city's labor force participation rate hit another all-time high in July, reaching 62.7 percent. And the unemployment rate ticked down to 5.3 percent. More New Yorkers are joining or rejoining the labor force, and more are finding jobs, which suggests the labor market continues to heal. Job postings also increased in July, which indicates employer demand for labor is solid.
- While improvement in return-to-office metrics stalled in late July and August (likely due to summer seasonal effects), the tourism sector continues to show strength, as Times Square averaged 320,000 daily pedestrians over the past month.

Looking objectively at the data, we acknowledge some economic headwinds but, overall, the data indicates a continuing economic recovery. Having a clear picture of the city's economic data informs our work here at NYCEDC, as we build a more vibrant, inclusive, and globally competitive economy. We hope you find it useful in your work as well.



**Andrew Kimball**  
President & CEO  
New York City Economic Development Corporation

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Labor Market</b>				
NYC added 5,600 private sector jobs in July. The city's private sector is now at 99.9 percent of pre-pandemic employment levels, just 3,400 jobs away from a full recovery. The labor force participation rate reached another record high at 62.7 percent, as labor force participation rates improved across all demographic groups. And the Black unemployment rate declined for the first time in three quarters.				
<b>City Private Sector Employment Change &amp; Annual Growth Rate</b> (July 2023)	+5,600 +3.2% y/y	+8,100 +3.6% y/y	+258,300	+6,500 per month +2.4% y/y (2019 avg)
<b>Metro Area Employment</b> (July 2023)	-3,200 +2.3% y/y	-7,400 +2.5% y/y	+420,500	+7,800 per month, +1.3% y/y (2019 avg)
<b>Job Postings</b> (July 2023)	68,500	65,900	1.50M	76,600 (2019 avg)
<b>Labor Force Participation</b> (July 2023)	62.7%	62.6%	+2.3 pct pts	60.2% (Feb 2020)
<b>Unemployment Rate</b> (July 2023)	5.3%	5.4%	-2.7 pct pts	4.3% (Feb 2020)
<b>BIPOC Unemployment Rate</b> (2023:Q2)	6.9%*	6.9%	-2.2 pct pts	5.3% (2020:Q1)
<b>Black Unemployment Rate</b> (2023:Q2)	9.9%*	10.3%	-0.8 pct pts	8.1% (2020:Q1)
<b>Latinx Unemployment Rate</b> (2023:Q2)	6.6%	6.4%	-2.5 pct pts	5.3% (2020:Q1)
<b>White Unemployment Rate</b> (2023:Q2)	2.6%*	2.5%	-4.2 pct pts	2.7% (2020:Q1)
<b>BIPOC Labor Force Participation Rate</b> (2023:Q2)	60.0%	59.4%	+2.0 pct pts	58.3% (2020:Q1)
<b>Black Labor Force Participation Rate</b> (2023:Q2)	60.0%	59.7%	+4.4 pct pts	56.2% (2020:Q1)
<b>Latinx Labor Force Participation Rate</b> (2023:Q2)	58.6%	57.1%	-0.2 pct pts	58.9% (2020:Q1)
<b>White Labor Force Participation Rate</b> (2023:Q2)	67.2%	66.3%	+3.1 pct pts	63.8% (2020:Q1)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Business Activity</b>				
About 28,700 businesses (or 1 in 7) were started in the past year (including 5,180 in 22:Q4), suggesting entrepreneurship is vibrant in the city. VC funding is down significantly from last year, as higher interest rates weigh on activity.				
<b>New Business Formation</b> (2022:Q4)	5,180	9,900	28,700	7,100 (2019 avg)
<b>Net Business Formation</b> (2022:Q4)	+1,280	+5,190	+8,260	+400 (2019 avg)
<b>VC Funding</b> (2023:Q2)	\$3.776B	\$5.614B (2023:Q1)	\$37.736B	\$5.645B (2019:Q4)
<b>VC Funding</b> (2023 through Q2)	\$9.390B	\$18.390B (2022 through Q2)	n/a	\$13.649B (2019 through Q2)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Real Estate</b>				
Office occupancy metrics slipped a bit in July/August, likely reflecting summer vacations (as Friday occupancy was just 22 percent compared to 56 percent on Tuesdays). Vacancy rates ticked up in 2023:Q1 and are elevated compared to pre-COVID. Office leasing activity faltered, down to 58 percent of leasing activity seen in 2019: Q2.				
<b>Kastle Metro Area Office Occupancy</b> (4-wk avg, 8/3/23)	47.2%	48.9%	+23.9 pct pts	100%
<b>PFNYC Return to Office Survey</b> (Feb 2023)	52%	49% (Sept 2022)	+24 pct pts (Oct 2021)	n/a
<b>Manhattan Office Availability Average**</b> (2023:Q2)	18.9%	18.6%	+1.2 pct pts	10.3% (2019 avg)
<b>Office Vacancy Rate</b> (2023:Q2)	14.0%	13.6%	+2.0 pct pts	7.6% (2019 avg)
<b>Office Leasing Activity</b> (2023:Q2)	58%	67%	-9.0 pct pts	100%
<b>Retail Vacancy Rate</b> (2023:Q2)	4.3%	4.3%	+0.4 pct pts	3.3% (2019 avg)
<b>StreetEasy Rent Index</b> (July 2023)	118.1	117.1	+17.7	100.0 (Feb 2020)
<b>StreetEasy Inventory Index</b> (July 2023)	139.2	136.0	+47.5	100.0 (Feb 2020)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Tourism &amp; Transit</b>				
Tourism continues to show strength, as Times Square averaged 320,000 daily pedestrians over the past month. Transit indicators remain mixed, as subway ridership continues to improve while bus ridership is essentially flat from the start of the administration.				
<b>Broadway Attendance</b> (4-wk avg, 8/6/23)	93.8%	89.1%	+23.3 pct pts	100%
<b>Hotel Occupancy Rate</b> (June 2023)	84.9%	83.9%		90.8% (June 2019)
<b>Times Sq. Pedestrian Count</b> (30-day avg, 8/6/23)	79.2%	71.3%	+6.7 pct pts	100%
<b>Visa Domestic Visitor Spending</b> (2023:Q1)	111%	108%	+12 pct pts	100%
<b>Future Flights Booked to NYC</b> (June 2023)	70.2%	72.8%	+12 pct pts	100%
<b>Subway Ridership</b> (30-day avg, 8/10/23)	70.2%	69.6%	+13.6 pct pts	100%
<b>Bus Ridership</b> (30-day avg, 8/10/23)	63.4%	64.1%	-0.2 pct pts	100%

Sources for the New York City Economic Snapshot include the NYS Department of Labor, the US Bureau of Labor Statistics, Lightcast, Pitchbook, Kastle Systems, the Partnership for New York City, Costar, Cushman & Wakefield, Newmark, Savills, Colliers, JLL, StreetEasy, Broadway League, STR, Times Square Alliance, and MTA Open Data.

\* Estimates for the previous quarter were based on a three-month sample, and this quarter and following quarters' estimate are based on a 12-month sample to increase sample and related accuracy. Quarter-to-quarter changes within half of a percentage point are likely statistically insignificant due to the small sample size. We do not report quarterly estimates for the Asian population due to high margins of error, caused by heterogeneity in the population.

\*\* This is a simple average of vacancy rates from Cushman & Wakefield and JLL, and availability rates from Newmark, Savills, Costar, and Colliers. The Citywide rates are using Costar data.

#### Legend

 Indicator improved from prior reading

 Indicator worsened from prior reading

 No change

# NYC Employment by Industry

## INDUSTRY

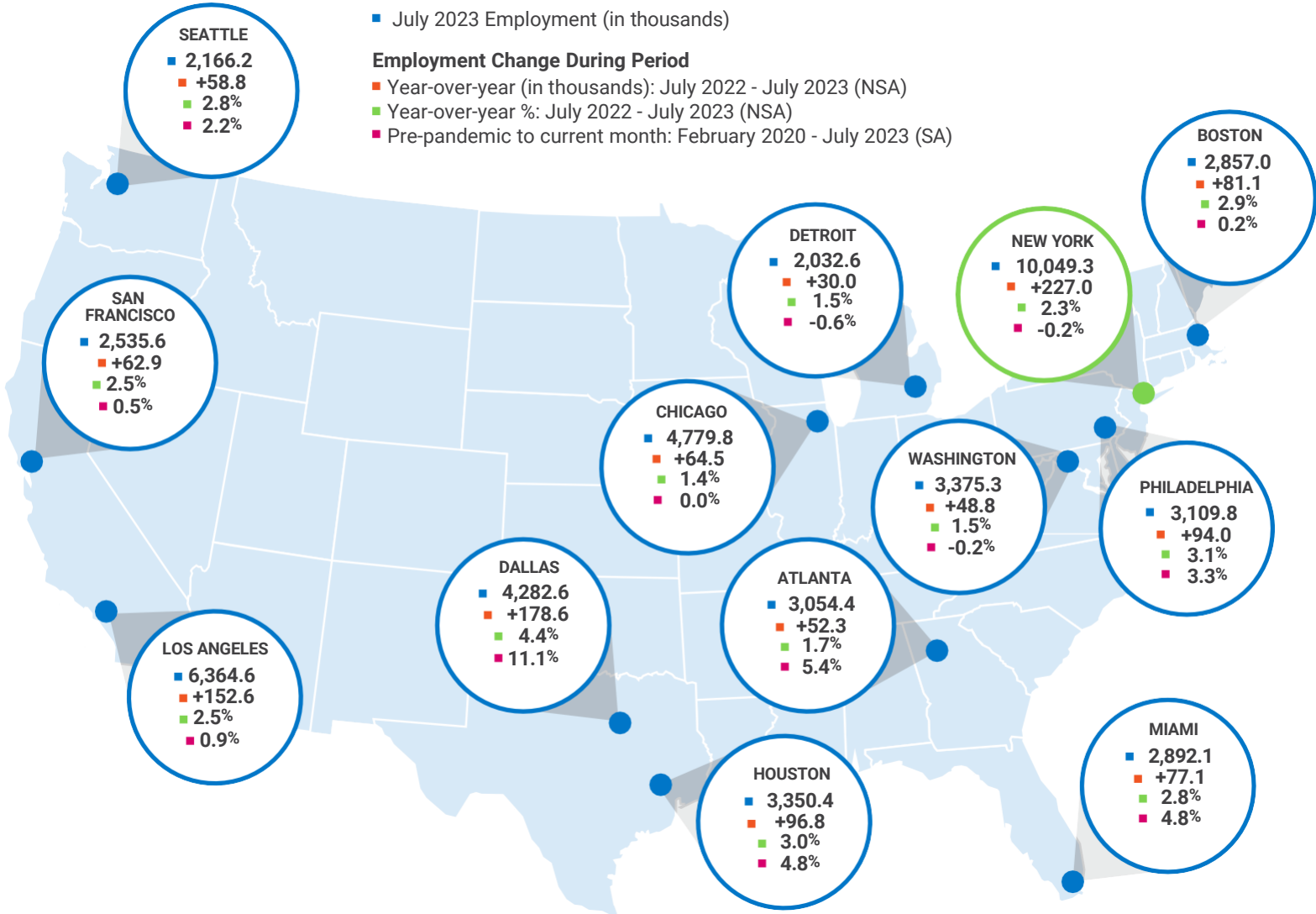
	EMPLOYMENT (thousands)							
	July 2023	June 2023	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to July 2023	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to July 2023
<b>FIRE</b>	<b>497</b>	<b>499</b>	<b>-0.5%</b>	<b>1.2%</b>	<b>25,600</b>	<b>35,500</b>	<b>138.5%</b>	<b>9,900</b>
Finance & Insurance	363	365	-0.3%	1.4%	10,800	25,700	237.8%	14,900
Securities	193	194	-0.4%	-0.2%	5,600	15,700	278.7%	10,100
Banking	109	109	0.0%	4.3%	3,700	7,200	193.9%	3,500
Other	62	62	-0.6%	1.8%	1,400	2,700	190.9%	1,300
Real Estate	134	135	-0.8%	0.4%	16,200	11,200	69.0%	-5,000
<b>SERVICES</b>	<b>2,822</b>	<b>2,816</b>	<b>0.2%</b>	<b>4.4%</b>	<b>641,700</b>	<b>707,700</b>	<b>110.3%</b>	<b>66,000</b>
Information	214	223	-3.8%	-9.9%	35,400	20,400	57.6%	-15,000
Professional & Business	786	790	-0.5%	0.8%	101,500	106,200	104.6%	4,600
Professional, Scientific & Technical	459	455	0.9%	0.3%	37,500	50,400	134.3%	12,900
Management of Companies & Enterprises	70	71	-1.6%	-0.4%	11,100	8,900	80.0%	-2,200
Administrative & Support	257	264	-2.6%	2.1%	57,500	51,600	89.6%	-6,000
Educational	273	259	5.5%	10.8%	27,700	44,400	160.4%	16,700
Healthcare & Social Assistance	930	923	0.8%	8.7%	116,000	222,600	191.8%	106,500
Arts & Entertainment	79	83	-5.2%	2.2%	55,700	38,800	69.6%	-16,900
Accommodation & Food	357	353	1.3%	9.5%	268,600	251,700	93.7%	-17,000
Other	183	185	-1.2%	2.6%	66,900	53,800	80.5%	-13,000
<b>TRADE</b>	<b>431</b>	<b>433</b>	<b>-0.4%</b>	<b>-1.2%</b>	<b>147,300</b>	<b>92,700</b>	<b>62.9%</b>	<b>-54,600</b>
Retail	302	303	-0.4%	-1.1%	115,800	71,500	61.8%	-44,300
Wholesale	129	130	-0.4%	-1.3%	31,600	21,200	67.2%	-10,300
<b>MANUFACTURING</b>	<b>57</b>	<b>58</b>	<b>-1.3%</b>	<b>-2.2%</b>	<b>28,100</b>	<b>19,300</b>	<b>68.4%</b>	<b>-8,900</b>
<b>TRANSPORTATION AND UTILITIES</b>	<b>143</b>	<b>140</b>	<b>1.9%</b>	<b>-2.5%</b>	<b>39,700</b>	<b>32,700</b>	<b>82.3%</b>	<b>-7,000</b>
<b>NATURAL RESOURCES, MINING AND CONSTRUCTION</b>	<b>154</b>	<b>153</b>	<b>0.9%</b>	<b>9.3%</b>	<b>74,900</b>	<b>66,100</b>	<b>88.3%</b>	<b>-8,700</b>
<b>TOTAL PRIVATE</b>	<b>4,105</b>	<b>4,099</b>	<b>0.1%</b>	<b>3.2%</b>	<b>946,300</b>	<b>943,000</b>	<b>99.6%</b>	<b>-3,400</b>
<b>GOVERNMENT</b>	<b>567</b>	<b>573</b>	<b>-1.0%</b>	<b>4.3%</b>	<b>22,000</b>	<b>(5,300)</b>	<b>-23.9%</b>	<b>-27,300</b>
<b>TOTAL (PRIVATE + GOVERNMENT) NYC</b>	<b>4,672</b>	<b>4,672</b>	<b>0.0%</b>	<b>3.4%</b>	<b>956,500</b>	<b>925,800</b>	<b>96.8%</b>	<b>-30,700</b>

**Note:** Numbers may not add to totals due to rounding. Employment trough is April 2020 except for the following sectors, for which the trough is July 2020: FIRE (inclusive of all sub-sectors), Information, and Government.

# NYC Metro Area Employment

## Compared to Other Major Metro Areas

To give local employment data a national perspective, we compare employment in the NYC Metro Area to other major metro areas around the US. We use metro areas rather than cities to provide a more consistent basis for regional economic comparison.



NSA - non seasonally adjusted  
SA - seasonally adjusted

Source: US Bureau of Labor Statistics

## **About NYCEDC**

New York City Economic Development Corporation is a mission-driven, nonprofit organization that works for a vibrant, inclusive, and globally competitive economy for all New Yorkers. We take a comprehensive approach, through four main strategies: strengthen confidence in NYC as a great place to do business; grow innovative sectors with a focus on equity, build neighborhoods as places to live, learn, work, and play; and deliver sustainable infrastructure for communities and the city's future economy.

For more economic data, insights, and analysis from NYCEDC's Economic Research & Policy group, and to receive economic reports via email, visit [edc.nyc/insights](https://edc.nyc/insights).

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