

New York City Economic Snapshot

November 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:

- While private sector employment fell by 1,500 jobs in the latest data, private sector employment remains 20,300 above pre-pandemic levels. In October, healthcare added 5,700 jobs and restaurants and hotels added 7,200 jobs. Combined, these sectors have added over 500,000 jobs since 2020. Since the beginning of this administration, New York City has added 282,000 private sector jobs.
- The labor force participation rate ticked down one-tenth in the last month to 62.5 percent, close to its record high of 62.7 percent, and job postings increased this month.
- Kastle office occupancy has continued to improve throughout the fall, currently at 49.6 percent and up over 26 percentage points during this administration.
- Rising return-to-office numbers are helping boost transit indicators, which were also strong in early November. Subway ridership averaged 3.4 million riders per day over the past month, and subway ridership has increased almost 18 percentage points during this administration.
- Tourism was another bright spot in the past month—Broadway attendance averaged 223,000 per week over the past month, and hotel occupancy rates increased for the seventh time in eight months.

Taken together, these economic indicators suggest a growing New York City economy, where companies are hiring, new businesses are starting, and workers are finding jobs. Having a clear picture of the city's economic data informs our work here at NYCEDC, as we build a more vibrant and inclusive 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 |
|---|---------------------|----------------------|-----------------------------------|--|
| Key Takeaways: Labor Market | | | | |
| As of October, New York City has made a complete private sector recovery, as New York City has 20,300 more private sector jobs compared to February 2020. Between healthcare, and restaurants and hotels, the city has added over half a million jobs since February 2020. Job postings also increased slightly this month. | | | | |
| City Private Sector Employment Change & Annual Growth Rate (Oct 2023) | -1,500 +2.2% y/y | +19,700 +2.8% y/y | +282,000 | +6,500 per month +2.4% y/y (2019 avg) |
| Metro Area Employment (Oct 2023) | -1,200 +1.7% y/y | +22,600 +2.0% y/y | +468,600 | +7,800 per month, +1.3% y/y (2019 avg) |
| Job Postings (Oct 2023) | 53,500 | 51,300 | 1.64M | 76,600 (2019 avg) |
| Labor Force Participation (Oct 2023) | 62.5% | 62.6% | +2.1 pct pts | 60.2% (Feb 2020) |
| Unemployment Rate (Oct 2023) | 5.4% | 5.3% | -2.6 pct pts | 4.3% (Feb 2020) |
| BIPOC Unemployment Rate (2023:Q3) | 6.7%* | 6.9% | -2.4 pct pts | 5.3% (2020:Q1) |
| Black Unemployment Rate (2023:Q3) | 9.5%* | 9.9% | -1.1 pct pts | 8.1% (2020:Q1) |
| Latinx Unemployment Rate (2023:Q3) | 6.7%* | 6.6% | -2.4 pct pts | 5.3% (2020:Q1) |
| White Unemployment Rate (2023:Q3) | 2.8%* | 2.6% | -4.0 pct pts | 2.7% (2020:Q1) |
| BIPOC Labor Force Participation Rate (2023:Q3) | 60.4%* | 60.0% | +2.3 pct pts | 58.3% (2020:Q1) |
| Black Labor Force Participation Rate (2023:Q3) | 60.5%* | 60.0% | +4.9 pct pts | 56.2% (2020:Q1) |
| Latinx Labor Force Participation Rate (2023:Q3) | 59.1%* | 58.6% | +0.3 pct pts | 58.9% (2020:Q1) |
| White Labor Force Participation Rate (2023:Q3) | 67.4%* | 67.2% | +3.3 pct pts | 63.8% (2020:Q1) |

| Indicator | Latest | Previous | Since Jan. 1 '22 (Adams Admin) | Pre-COVID |
|---|-----------|--------------------------------|-----------------------------------|--------------------------------|
| Key Takeaways: Business Activity | | | | |
| About 29,700 businesses (or 1 in 7) were started in the past year (including 7,000 in 2023:Q1). However, VC funding continues to be weak so far in 2023 as higher interest rates dampen activity. VC year-to-date (\$13.4 billion) is 46% lower than the same period in 2022. | | | | |
| New Business Formation (2023:Q1) | 7,000 | 6,460 | 37,800 | 7,100 (2019 avg) |
| Net Business Formation (2023:Q1) | -1,280 | +2,100 | +6,570 | +400 (2019 avg) |
| VC Funding (2023:Q3) | \$3.327B | \$4.475B (2023:Q2) | \$42.792B | \$5.645B (2019:Q4) |
| VC Funding (2023 through Q3) | \$13.449B | \$24.946B (2022 through Q3) | n/a | \$18.181B (2019 through Q3) |

| Indicator | Latest | Previous | Since Jan. 1 '22 (Adams Admin) | Pre-COVID |
|---|--------|----------------|-----------------------------------|---------------------|
| Key Takeaways: Real Estate | | | | |
| New data on housing is positive, as the rental inventory index increased and the median asking rent fell slightly in October. And return-to-office metrics continue to show strength, increasing slightly in October, and up 9 percentage points year-to-date compared to the same period a year ago. | | | | |
| Kastle Metro Area Office Occupancy (4-wk avg, 11/2/23) | 49.6% | 49.5% | +26.4 pct pts | 100% |
| PFNYC Return to Office Survey (Sept 2023) | 58% | 52% (Feb 2022) | +30 pct pts (Oct 2021) | n/a |
| REBNY Office Visitation (2023:Q2) | 64.4% | 59.0% | n/a | 100% (2019) |
| Manhattan Office Availability Average** (2023:Q3) | 18.8% | 18.9% | +1.0 pct pts | 10.3% (2019 avg) |
| Office Vacancy Rate (2023:Q3) | 14.3% | 14.2% | +2.1 pct pts | 7.6% (2019 avg) |
| Office Leasing Activity (2023:Q3) | 62% | 58% | -5.0 pct pts | 100% |
| Retail Vacancy Rate (2023:Q3) | 4.2% | 4.3% | +0.4 pct pts | 3.3% (2019 avg) |
| StreetEasy Rent Index (Oct 2023) | 118.3 | 118.5 | +17.9 | 100.0 (Feb 2020) |
| StreetEasy Inventory Index (Oct 2023) | 101.8 | 96.1 | +7.1 pts | 100.0 (Oct 2019) |

Since Jan. 1 '22
(Adams Admin) Pre-COVID

Indicator **Latest** **Previous**

Key Takeaways: Tourism & Transit

Recent data show subway and bus ridership surging into the fall. Subway ridership is averaging 3.4 million riders per day over the past month, and ridership is up 9 percentage points from a year ago. Broadway attendance averaged 223,000 attendees per week, while hotel occupancy rates increased for the seventh time in the past eight months.

| Indicator | Latest | Previous | Since Jan. 1 '22 (Adams Admin) | Pre-COVID |
|---|--------|----------|-----------------------------------|----------------------|
| Broadway Attendance (4-wk avg, 11/12/23) | 79.2% | 77.9% | +8.7 pct pts | 100% |
| Hotel Occupancy Rate (Sept 2023) | 87.6% | 83.2% | | 91.0% (Sept 2019) |
| Times Sq. Pedestrian Count (30-day avg, 11/12/23) | 77.3% | 79.7% | +4.8 pct pts | 100% |
| Future Flights Booked to NYC (Sept 2023) | 55.1% | 74.7% | | 100% |
| Subway Ridership (30-day avg, 11/13/23) | 74.5% | 67.3% | +17.9 pct pts | 100% |
| Bus Ridership (30-day avg, 11/13/23) | 63.6% | 59.0% | +0.1 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, the Real Estate Board of New York, Costar, Cushman & Wakefield, Newmark, Savills, Colliers, JLL, StreetEasy, Broadway League, STR, Times Square Alliance, NYC Tourism and Conventions, Visa, and MTA Open Data.


*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. Newmark's availability rate for 2023 Q3 was unavailable at time of publishing and was assumed to be consistent from 2023 Q2. The Citywide rates are using Costar data.

Legend

 Indicator improved from prior reading

 Indicator worsened from prior reading

 No change

NYC Employment by Industry

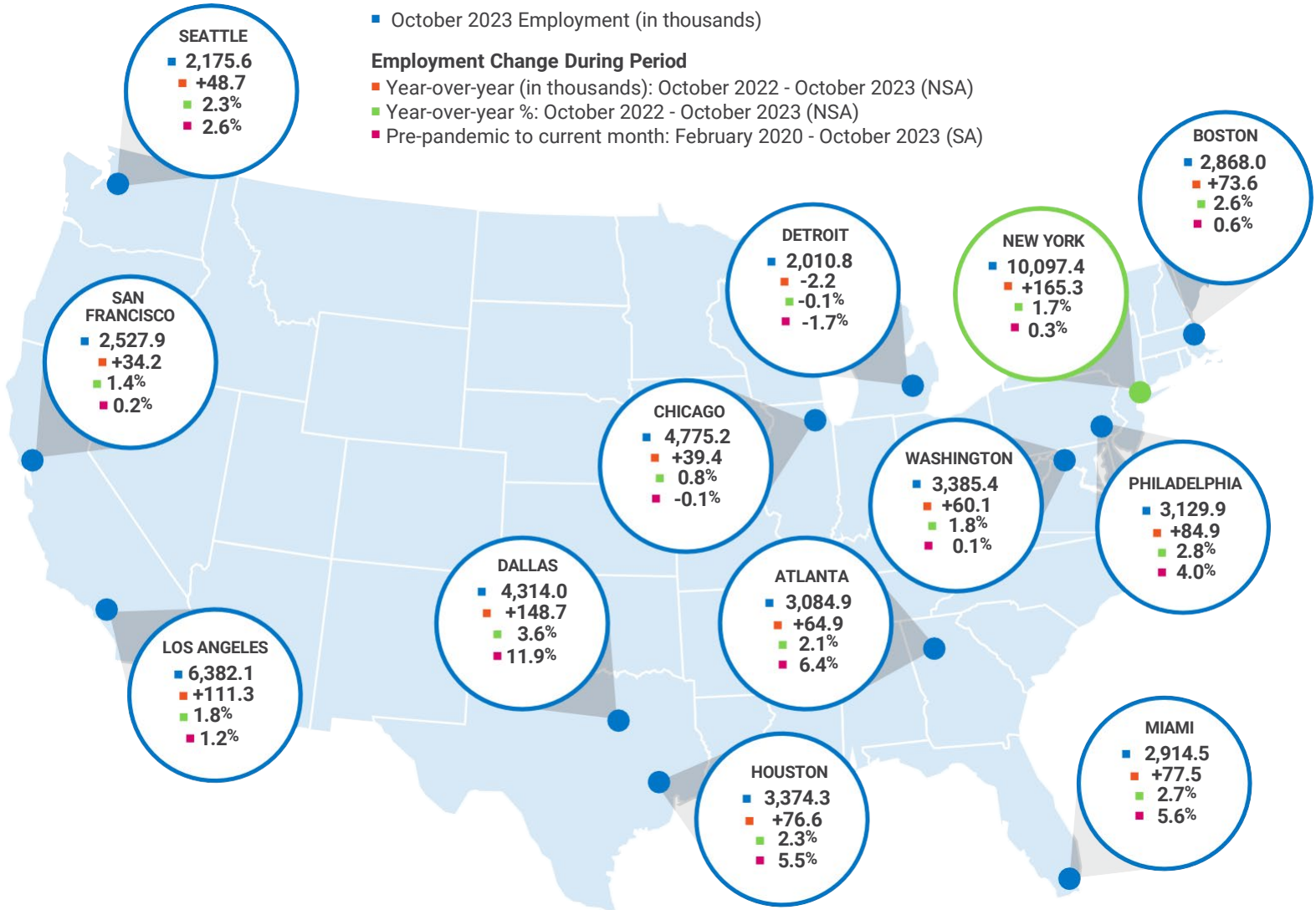
| INDUSTRY | EMPLOYMENT (thousands) | | | | | | | |
|---|---------------------------|--------------|-----------------------|-----------------------|-----------------------------------|-----------------------------------|-------------------------------|--------------------------------------|
| | Oct 2023 | Sep 2023 | Previous Month Change | Year-Over-Year Change | Jobs Lost, Pre-Pandemic to Trough | Jobs Regained, Trough to Oct 2023 | Percent of Lost Jobs Regained | Job Change, Pre-Pandemic to Oct 2023 |
| FIRE | 494 | 496 | -0.3% | 0.4% | 25,600 | 32,800 | 127.9% | 7,100 |
| Finance & Insurance | 358 | 362 | -0.9% | -0.3% | 10,800 | 20,700 | 191.8% | 9,900 |
| Securities | 190 | 193 | -1.7% | -1.8% | 5,600 | 12,700 | 226.0% | 7,100 |
| Banking | 108 | 107 | 0.3% | 2.5% | 3,700 | 6,100 | 163.2% | 2,400 |
| Other | 61 | 61 | -0.5% | -0.2% | 1,400 | 1,900 | 131.5% | 400 |
| Real Estate | 136 | 134 | 1.3% | 2.1% | 16,200 | 13,400 | 82.9% | -2,800 |
| SERVICES | 2,844 | 2,845 | 0.0% | 3.1% | 641,700 | 729,600 | 113.7% | 87,800 |
| Information | 209 | 210 | -0.4% | -11.8% | 35,400 | 15,500 | 43.6% | -20,000 |
| Professional & Business | 780 | 790 | -1.2% | -0.4% | 101,500 | 100,600 | 99.1% | -900 |
| Professional, Scientific & Technical | 455 | 458 | -0.7% | -0.5% | 37,500 | 46,800 | 124.7% | 9,300 |
| Management of Companies & Enterprises | 71 | 71 | -0.7% | 0.1% | 11,100 | 9,600 | 85.9% | -1,600 |
| Administrative & Support | 254 | 260 | -2.4% | -0.3% | 57,500 | 48,900 | 85.0% | -8,600 |
| Educational | 272 | 274 | -1.0% | 6.3% | 27,700 | 42,900 | 155.2% | 15,300 |
| Healthcare & Social Assistance | 952 | 946 | 0.6% | 9.2% | 116,000 | 244,500 | 210.7% | 128,400 |
| Arts & Entertainment | 85 | 86 | -0.6% | 2.3% | 55,700 | 45,100 | 81.0% | -10,600 |
| Accommodation & Food | 363 | 356 | 2.0% | 4.6% | 268,600 | 257,100 | 95.7% | -11,500 |
| Other | 183 | 183 | 0.0% | 1.2% | 66,900 | 54,000 | 80.7% | -12,900 |
| TRADE | 431 | 433 | -0.4% | -2.1% | 147,300 | 92,400 | 62.7% | -54,900 |
| Retail | 302 | 303 | -0.3% | -2.1% | 115,800 | 72,000 | 62.2% | -43,800 |
| Wholesale | 129 | 130 | -0.7% | -2.1% | 31,600 | 20,400 | 64.6% | -11,200 |
| MANUFACTURING | 58 | 58 | 0.3% | -0.2% | 28,100 | 19,900 | 70.6% | -8,300 |
| TRANSPORTATION AND UTILITIES | 143 | 142 | 1.0% | -2.5% | 39,700 | 32,900 | 82.8% | -6,800 |
| NATURAL RESOURCES, MINING AND CONSTRUCTION | 158 | 157 | 0.6% | 10.0% | 74,900 | 70,300 | 93.9% | -4,600 |
| TOTAL PRIVATE | 4,128 | 4,130 | 0.0% | 2.2% | 946,300 | 966,700 | 102.1% | 20,300 |
| GOVERNMENT | 574 | 583 | -1.5% | 0.8% | 22,000 | 1,500 | 6.7% | -20,600 |
| TOTAL (PRIVATE + GOVERNMENT) NYC | 4,702 | 4,712 | -0.2% | 2.0% | 956,500 | 956,300 | 100.0% | -200 |

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.

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