

New York City Economic Snapshot

February 2024



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:

- New York City reached another new all-time high in private sector employment in January with 4,148,000 jobs. The economy added 25,100 private sector jobs in January, and the private sector job count is now 40,100 jobs above the pre-pandemic high. The city is also at a record high for total jobs in January, at 4,730,000, and total employment is 27,300 above pre-pandemic levels.
- Revised data for 2023 show labor force participation reached a record high of 61.8 percent in December, and the labor force participation rate held steady at this record high in January.
- The unemployment rate ticked down one-tenth to 5.2 percent in January, the lowest rate since September 2023. However, despite some improvements in recent months, the disparity between unemployment rates by race or ethnicity remains high. The Black unemployment rate, at 9.3 percent, is three times the white unemployment rate of 3.0 percent. We are watching these metrics closely and will be reporting new data in April.
- The wider New York City Metro Area added over 100,000 jobs in the past two months (including 65,000 jobs in January). The New York City Metro Area has added 160,100 jobs over the past 12 months, approximately twice the jobs of the next closest metro areas (Houston, Miami, Dallas).

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.

A handwritten signature in black ink, appearing to be 'AK' or similar initials, written in a cursive style.

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				
The city added 25,200 private sector jobs in January, reaching a record high for private sector employment, with private employment now up over 40,000 jobs from pre-pandemic highs. Benchmark revisions to 2023 employment data show that the city added fewer jobs in 2023 than the initial data showed, with the city adding 42,300 private sector jobs last year. Revised labor force participation data for 2023 and new data for January 2024 show that the city reached an all-time high in labor force participation rate of 61.8% in December 2023 and remained at the record high in January 2024.				
City Private Sector Employment Change & Annual Growth Rate (January 2024)	+25,200 +1.7% y/y	+9,100 +1.0% y/y	+298,600	+6,500 per month +2.4% y/y (2019 avg)
Metro Area Employment (January 2024)	+65,000 +1.6% y/y	+35,100 +1.3% y/y	+559,400	+7,800 per month, +1.3% y/y (2019 avg)
Job Postings (January 2024)	58,100	49,100	1.79M	76,600 (2019 avg)
Labor Force Participation (January 2024)	61.8%	61.8%	+1.6 pct pts	60.2% (Feb 2020)
Unemployment Rate (January 2024)	5.2%	5.3%	-2.9 pct pts	4.3% (Feb 2020)
BIPOC Unemployment Rate (2023:Q4)	6.7%*	6.7%	-2.3 pct pts	5.3% (2020:Q1)
Black Unemployment Rate (2023:Q4)	9.3%*	9.5%	-1.4 pct pts	8.1% (2020:Q1)
Latinx Unemployment Rate (2023:Q4)	7.0%*	6.7%	-2.2 pct pts	5.3% (2020:Q1)
White Unemployment Rate (2023:Q4)	3.0%*	2.8%	-3.9 pct pts	2.7% (2020:Q1)
BIPOC Labor Force Participation Rate (2023:Q4)	59.9%*	60.4%	+1.8 pct pts	58.3% (2020:Q1)
Black Labor Force Participation Rate (2023:Q4)	60.3%*	60.5%	+4.7 pct pts	56.2% (2020:Q1)
Latinx Labor Force Participation Rate (2023:Q4)	58.6%*	59.1%	-0.2 pct pts	58.9% (2020:Q1)
White Labor Force Participation Rate (2023:Q4)	67.5%*	67.4%	+3.4 pct pts	63.8% (2020:Q1)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
Key Takeaways: Business Activity				
About 27,000 businesses (or 1 in 7) were started in the past year, as 5,500 new businesses started in 2023:Q3. However, we estimate that 5,900 businesses closed, implying net business formation of -340 in the latest data. VC funding had a weaker 2023 as higher interest rates dampened activity. VC funding in 2023 (\$18.7 billion) was 35% lower than 2022 and 63% lower than 2021.				
New Business Formation (2023:Q3)	5,500	6,700	50,700	7,100 (2019 avg)
Net Business Formation (2023:Q3)	-340	+1,700	+7,130	+400 (2019 avg)
VC Funding (2023:Q4)	\$4.961B	\$3.508B (2023:Q3)	\$47.711B	\$5.645B (2019:Q4)
VC Funding (2023 through Q4)	\$18.726B	\$28.985B	n/a	\$24.111B (2019 through Q4)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
Key Takeaways: Real Estate				
Return-to-office was lower in early 2024 compared to late 2023, partially due to several federal holidays in January and February. Kastle return-to-office data averaged 48.8% of pre-pandemic levels in February, REBNY office visitation declined 4 percentage points to 63% in January, and REBNY Class A+ office visitation was at 68% in January, 6 percentage points lower than the prior month.				
Kastle Metro Area Office Occupancy (4-wk avg, 2/27/24)	48.8%	50.4%	+25.6 pct pts	100%
PFNYC Return to Office Survey (September 2023)	58%	52% (Feb 2022)	+30 pct pts (Oct 2021)	n/a
REBNY Office Visitation (January 2024)	63%	67%	n/a	100% (2019)
REBNY Class A+ Office Visitation (January 2024)	68%	74%	n/a	100% (2019)
Manhattan Office Availability Average** (2023:Q4)	18.7%	18.8%	+0.9 pct pts	10.3% (2019 avg)
Office Vacancy Rate (2023:Q4)	14.3%	13.9%	+2.6 pct pts	7.6% (2019 avg)
Office Leasing Activity (2023:Q4)	62.4%	73.0%	-4.5 pct pts	100%
Retail Vacancy Rate (2023:Q4)	4.1%	4.1%	+0.4 pct pts	3.2% (2019 avg)
StreetEasy Rent Index (February 2024)	117.6	117.1	+17.2	100.0 (Feb 2020)
StreetEasy Inventory Index (February 2024)	76.7	76.7	-18.0 pts	100.0 (Dec 2019)

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

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
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Key Takeaways: Tourism & Transit
 Tourism and transit data is weaker than last month, as holiday tourism fades and cold weather depresses tourist and transit activity. However, many of these indicators have improved from a year ago: Over the past 12 months, hotel occupancy is up 4 percentage points, Times Square pedestrians increased 12 percent, and subway ridership, averaging 3.15 million rides over the past month, increased 2 percent over the past year.

Broadway Attendance (4-wk avg, 3/3/23)	80.3%	83.7%	+9.8 pct pts	100%
Hotel Occupancy Rate (January 2024)	68.4%	86.6%		89.4% (Nov 2019)
Times Sq. Pedestrian Count (30-day avg, 3/3/24)	83.3%	77.6%	+10.8 pct pts	100%
Subway Ridership (30-day avg, 3/7/24)	70.9%	72.0%	+14.3 pct pts	100%
Bus Ridership (30-day avg, 3/7/24)	59.2%	61.2%	-4.3 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)

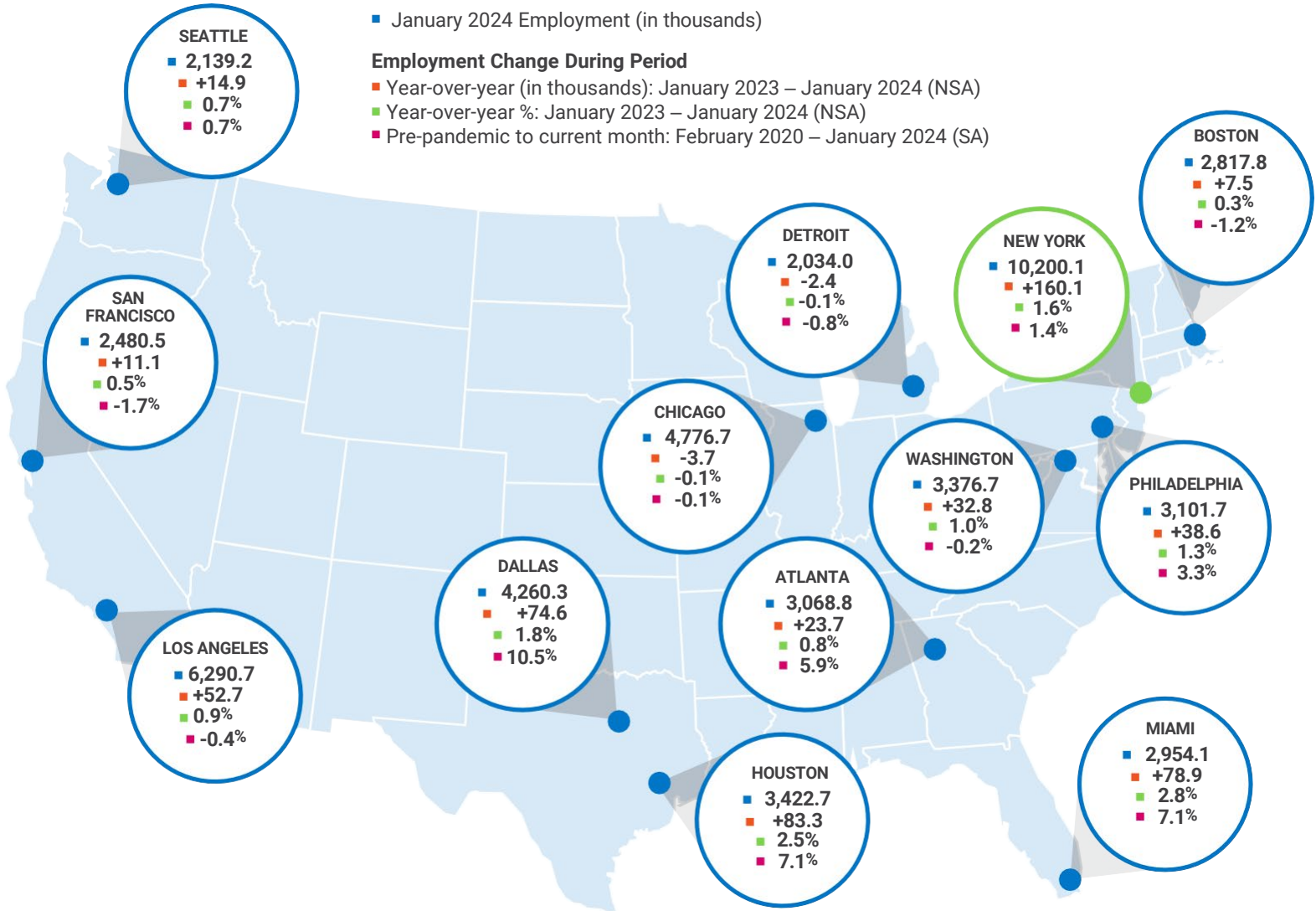
	Jan 2024	Dec 2023	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to Jan 2024	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to Jan 2024
FIRE	504	505	-0.2%	1.0%	25,600	42,200	164.6%	16,600
Finance & Insurance	368	370	-0.4%	0.9%	10,800	30,600	283.7%	19,800
Securities	198	199	-0.8%	0.3%	5,600	20,600	365.4%	15,000
Banking	109	109	0.1%	1.5%	3,700	7,300	195.0%	3,500
Other	62	62	0.5%	2.0%	1,400	2,800	193.1%	1,300
Real Estate	135	135	0.2%	1.2%	16,200	12,900	79.8%	-3,300
SERVICES	2,866	2,841	0.9%	2.9%	641,600	750,700	117.0%	109,100
Information	227	217	4.8%	-4.6%	35,400	33,200	93.7%	-2,200
Professional & Business	799	796	0.3%	-0.4%	101,500	119,200	117.5%	17,800
Professional, Scientific & Technical	462	464	-0.4%	-1.6%	37,500	53,700	143.0%	16,100
Management of Companies & Enterprises	75	75	0.1%	2.3%	11,100	14,100	126.8%	3,000
Administrative & Support	261	257	1.6%	1.1%	57,500	56,100	97.7%	-1,300
Educational	256	253	1.1%	2.1%	27,700	27,600	99.9%	0
Healthcare & Social Assistance	962	953	0.9%	8.2%	116,000	254,200	219.1%	138,200
Arts & Entertainment	87	87	-0.4%	3.7%	55,700	46,800	84.0%	-8,900
Accommodation & Food	352	351	0.3%	2.8%	268,600	245,900	91.5%	-22,700
Other	183	183	0.0%	1.1%	66,900	53,900	80.6%	-13,000
TRADE	434	430	0.9%	-1.8%	147,300	95,600	64.9%	-51,700
Retail	303	300	1.1%	-2.4%	115,800	72,900	63.0%	-42,900
Wholesale	131	130	0.5%	-0.6%	31,600	22,700	71.9%	-8,900
MANUFACTURING	58	58	-0.2%	-0.7%	28,100	19,900	70.7%	-8,300
TRANSPORTATION AND UTILITIES	149	149	-0.4%	-0.6%	39,700	38,400	96.8%	-1,300
NATURAL RESOURCES, MINING AND CONSTRUCTION	138	140	-1.3%	-5.0%	74,900	50,600	67.6%	-24,300
TOTAL PRIVATE	4,148	4,123	0.6%	1.7%	946,200	986,300	104.2%	40,100
GOVERNMENT	582	570	2.1%	1.7%	22,100	9,500	43.2%	-12,500
TOTAL (PRIVATE + GOVERNMENT) NYC	4,730	4,693	0.8%	1.7%	956,400	984,000	102.9%	27,600

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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