

# New York City Economic Snapshot

July 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:

- The city added 9,000 private sector jobs in June, **as the city hit another new all-time high for private employment and is 54,800 jobs above pre-pandemic levels.** Healthcare and Social Assistance, Finance, and Professional Services sectors have led the city's job recovery.
- While the unemployment rate held steady at 4.8%, the lowest level since August 2022, **the city's Black unemployment rate declined for the fifth consecutive quarter to 7.3%.** This is the lowest level since 2018 and is down from a recent high of 10.2% at the beginning of 2023.
- The labor force participation rate rose 0.1 percentage points to 62.4%, another all-time high (since 1976), **as labor force participation rates increased for all races and ethnicities** that we track. At 59.6%, the BIPOC labor force participation rate reached its highest level since 2010.
- Business formation continues to help drive the city's economic recovery. **New data show that 42,000, or 1 in 5 of all businesses currently operating in the city, were started during the Adams Administration.** These newly created businesses employ about 316,000 workers, about 1 in 14 of all private sector jobs in the city.
- Propelled by large deals in tech—including in SaaS and AI/Machine Learning—**venture capital (VC) funding for NYC startups increased to \$7.72B, up 43% from the prior quarter and 74% from a year ago.** At its current pace, 2024 VC funding is on track to exceed 2023 totals.
- **Kastle return-to-office has increased almost 5 percentage points over the past 12 months, and REBNY office visitation is up 4 percentage points.** Class A+ visitation was 86% of pre-pandemic levels in May, as high-quality office stock continues to outperform the rest of the market.
- The **citywide office vacancy rate decreased for the first time since 2018 to 14.8%.** Though still elevated compared to pre-pandemic levels, this decline further reinforces that vacancy has already or will soon peak as the commercial real estate market recovers.

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
<b>Key Takeaways: Labor Market</b>				
The city added 9,000 private sector jobs in May, as New York City hit another new all-time high for private employment and is 54,800 jobs above pre-pandemic levels. The Black unemployment rate at 7.3% is at its lowest level since 2019 and has fallen 3.4 percentage points since the start of 2022. The labor force participation rate rose 0.1 percentage points to 62.4%, another all-time high, as labor force participation rates increased for all races/ethnicities that we track. The BIPOC labor force participation rate reached its highest level since 2010, and the white labor force participation rate set a record high.				
<b>City Private Sector Employment Change &amp; Annual Growth Rate</b> (June 2024)	+9,000 +1.3% y/y	-500 +1.4% y/y	+313,300	+6,500 per month +2.4% y/y (2019 avg)
<b>Metro Area Employment</b> (June 2024)	+8,800 +1.2% y/y	+12,200 +1.4% y/y	+570,900	+7,800 per month, +1.3% y/y (2019 avg)
<b>Job Postings</b> (June 2024)	70,200	59,500	2.05M	76,600 (2019 avg)
<b>Labor Force Participation</b> (June 2024)	62.4%	62.3%	+2.2 pct pts	60.2% (Feb 2020)
<b>Unemployment Rate</b> (June 2024)	4.8%	4.8%	-3.3 pct pts	4.3% (Feb 2020)
<b>BIPOC Unemployment Rate</b> (2024:Q2)	5.7%*	6.1%	-3.4 pct pts	5.3% (2020:Q1)
<b>Black Unemployment Rate</b> (2024:Q2)	7.3%*	7.9%	-3.4 pct pts	8.1% (2020:Q1)
<b>Latinx Unemployment Rate</b> (2024:Q2)	6.5%*	6.7%	-2.6 pct pts	5.3% (2020:Q1)
<b>White Unemployment Rate</b> (2024:Q2)	3.3%*	3.3%	-3.5 pct pts	2.7% (2020:Q1)
<b>BIPOC Labor Force Participation Rate</b> (2024:Q2)	59.6%*	59.3%	+1.8 pct pts	58.2% (2020:Q1)
<b>Black Labor Force Participation Rate</b> (2024:Q2)	59.9%*	59.7%	+4.5 pct pts	56.2% (2020:Q1)
<b>Latinx Labor Force Participation Rate</b> (2024:Q2)	58.8%*	58.2%	+0.3 pct pts	58.9% (2020:Q1)
<b>White Labor Force Participation Rate</b> (2024:Q2)	67.5%*	67.1%	+3.8 pct pts	63.8% (2020:Q1)

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

**Indicator** **Latest** **Previous**

**Key Takeaways: Business Activity**

About 24,600 businesses (or 1 in 8) were started in the past year, as 4,500 new businesses started in 2023:Q4. However, we estimate that 5,400 businesses closed, implying net business formation of -840 in the latest data. VC funding, at \$7.7 billion in Q2, increased 43% compared to the prior quarter. And 2024 VC funding is on track to beat 2023, although still well below 2021 and 2022 VC activity.

<b>New Business Formation</b> (2023:Q4)	4,500	5,600	55,000	7,100 (2019 avg)
<b>Net Business Formation</b> (2023:Q4)	-840	-420	+5,600	+400 (2019 avg)
<b>VC Funding</b> (2024:Q2)	\$7.715B	\$5.393B (2024:Q1)	\$60.735B	\$5.063B (2019:Q2)
<b>VC Funding</b> (2024 through Q2)	\$13.108B	\$10.139B (2023 through Q2)	n/a	\$13.804B (2019 through Q2)

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

**Indicator** **Latest** **Previous**

**Key Takeaways: Real Estate**

New data from Kastle and REBNY show slightly weaker office visitation metrics over the past month, as Kastle data was pulled down by the July 4 week and REBNY data by Memorial Day weekend. But both metrics have improved over the past year—Kastle is up almost 5 percentage points year over year, and REBNY overall office visitation is up 4 percentage points. Class A+ visitation was 86% of pre-pandemic levels in May, as high-quality office stock continues to outperform the rest of the market. In the residential rental market, we see the rents moving higher despite more inventory on the market.

<b>Kastle Metro Area Office Occupancy</b> (4-wk avg, 7/2/24)	49.8%	51.9%	+26.6 pct pts	100%
<b>PFNYC Return to Office Survey</b> (May 2024)	56%	58% (Sep 2023)	+28 pct pts (Oct 2021)	n/a
<b>REBNY Office Visitation</b> (May 2024)	74%	75%	n/a	100% (2019)
<b>REBNY Class A+ Office Visitation</b> (May 2024)	86%	89%	n/a	100% (2019)
<b>Manhattan Office Availability Average**</b> (2024:Q2)	19.2%	19.4%	+1.5 pct pts	10.3% (2019 avg)
<b>Citywide Office Vacancy Rate</b> (2024:Q2)	14.8%	15.0%	+2.6 pct pts	7.6% (2019 avg)
<b>Citywide Office Leasing Activity</b> (2024:Q2)	65.3%	76.5%	-1.9 pct pts	100% (2019:Q2)
<b>Citywide Retail Vacancy Rate</b> (2024:Q2)	3.9%	3.9%	+0.2 pct pts	3.2% (2019 avg)
<b>StreetEasy Rent Index</b> (June 2024)	121.0	120.0	+20.7 pts	100.0 (Feb 2020)
<b>StreetEasy Inventory Index</b> (June 2024)	85.8	82.1	-9.0 pts	100.0 (Jun 2019)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Tourism &amp; Transit</b>				
Tourism data were mixed, with Broadway attendance up 4 percent year over year, and hotel occupancy declining slightly in June compared to May. Transit indicators are weaker, as bus ridership is down 9.3% from a year ago. On subways, ridership averaged 3.12 million daily riders over the past month, but weekends at 75% of pre-COVID ridership are outperforming weekdays at 66%.				
<b>Broadway Attendance</b> (4-wk avg, 7/7/24)	93.1%	93.0%	+22.6 pct pts	100%
<b>Hotel Occupancy Rate</b> (June 2024)	88.4%	89.1%	n/a	90.4% (Jun 2019)
<b>Times Sq. Pedestrian Count***</b> (30-day avg)	n/a	85.6%	+3.0 pct pts	100%
<b>Subway Ridership</b> (30-day avg, 7/11/24)	68.1%	71.7%	+11.5 pct pts	100%
<b>Bus Ridership</b> (30-day avg, 7/11/24)	56.9%	59.4%	-6.6 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. The Citywide rates are using Costar data.

\*\*\*Data not shared this month due to data consistency concerns.

#### Legend

-  Indicator improved from prior reading
-  Indicator worsened from prior reading
-  No change

# NYC Employment by Industry

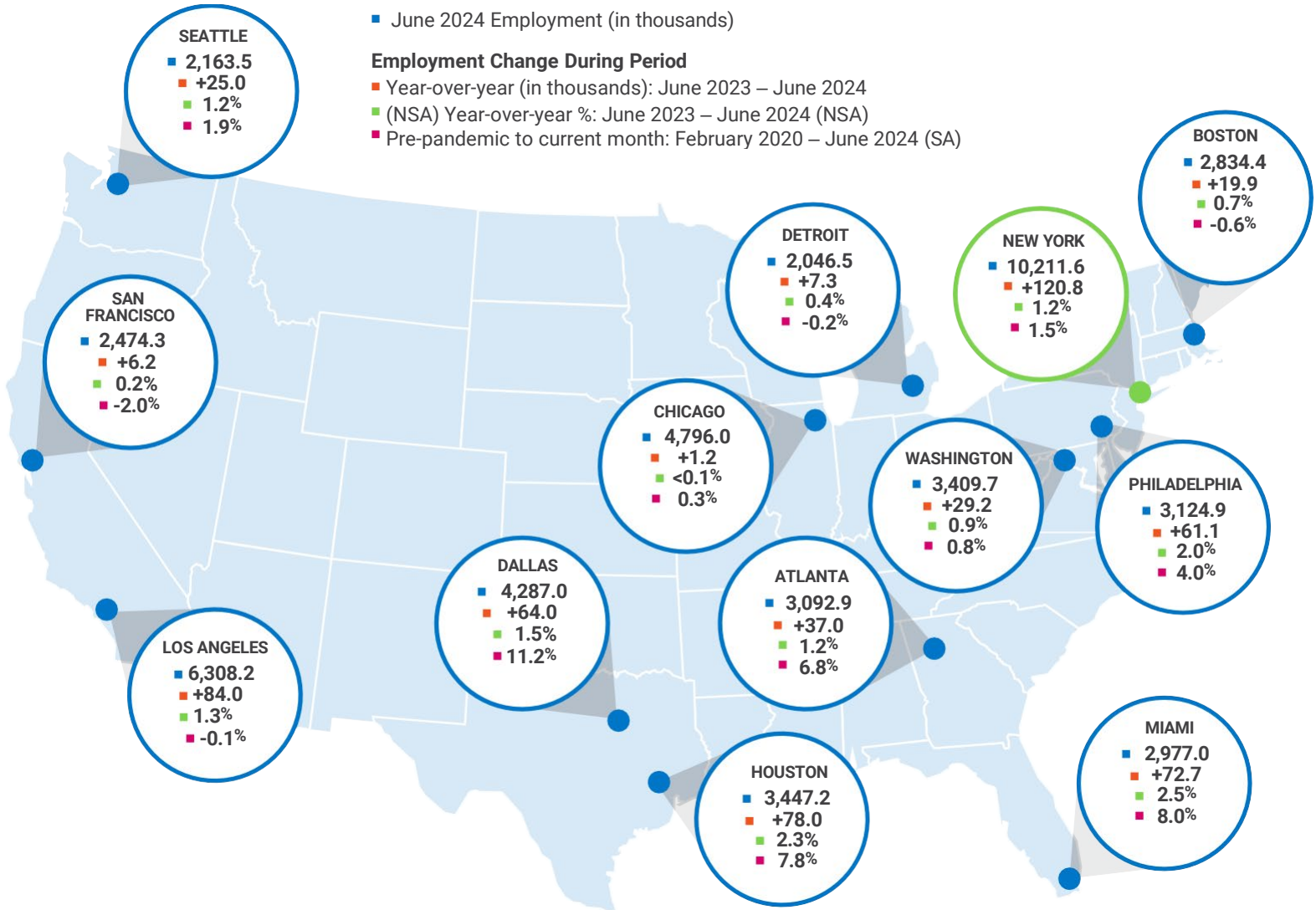
INDUSTRY	EMPLOYMENT (thousands)							
	Jun 2024	May 2024	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to Jun 2024	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to Jun 2024
<b>FIRE</b>	<b>503</b>	<b>499</b>	<b>0.7%</b>	<b>-0.5%</b>	<b>25,600</b>	<b>41,500</b>	<b>161.8%</b>	<b>15,800</b>
Finance & Insurance	368	366	0.5%	-0.9%	10,800	30,100	279.2%	19,300
Securities	195	195	0.0%	-2.6%	5,600	18,300	325.6%	12,700
Banking	110	109	0.8%	0.6%	3,700	8,400	225.4%	4,700
Other	62	62	1.3%	2.0%	1,400	3,400	236.7%	1,900
Real Estate	135	133	1.4%	0.5%	16,200	12,700	78.3%	-3,500
<b>SERVICES</b>	<b>2,887</b>	<b>2,880</b>	<b>0.2%</b>	<b>2.6%</b>	<b>641,600</b>	<b>771,900</b>	<b>120.3%</b>	<b>130,300</b>
Information	211	217	-2.6%	-6.4%	35,400	17,400	49.1%	-18,000
Professional & Business	801	794	0.8%	-0.9%	101,500	120,800	119.1%	19,400
Professional, Scientific & Technical	464	460	0.8%	-1.8%	37,500	55,300	147.4%	17,800
Management of Companies & Enterprises	77	76	1.1%	2.6%	11,100	15,700	140.9%	4,600
Administrative & Support	260	258	0.7%	-0.4%	57,500	54,500	94.8%	-3,000
Educational	253	254	-0.3%	2.0%	27,700	24,500	88.5%	-3,200
Healthcare & Social Assistance	994	988	0.6%	8.6%	116,000	286,600	246.9%	170,500
Arts & Entertainment	89	88	1.5%	4.4%	55,700	49,300	88.5%	-6,400
Accommodation & Food	357	358	-0.1%	2.2%	268,600	251,300	93.5%	-17,300
Other	181	182	-0.2%	0.2%	66,900	52,200	78.1%	-14,700
<b>TRADE</b>	<b>430</b>	<b>430</b>	<b>0.0%</b>	<b>-2.5%</b>	<b>147,300</b>	<b>91,700</b>	<b>62.3%</b>	<b>-55,600</b>
Retail	299	300	-0.1%	-3.2%	115,800	68,900	59.5%	-46,800
Wholesale	131	131	0.1%	-0.8%	31,600	22,800	72.3%	-8,700
<b>MANUFACTURING</b>	<b>57</b>	<b>57</b>	<b>-0.5%</b>	<b>-2.2%</b>	<b>28,100</b>	<b>18,800</b>	<b>66.8%</b>	<b>-9,300</b>
<b>TRANSPORTATION AND UTILITIES</b>	<b>150</b>	<b>150</b>	<b>0.4%</b>	<b>1.0%</b>	<b>39,700</b>	<b>39,800</b>	<b>100.3%</b>	<b>100</b>
<b>NATURAL RESOURCES, MINING AND CONSTRUCTION</b>	<b>136</b>	<b>138</b>	<b>-1.3%</b>	<b>-4.9%</b>	<b>74,900</b>	<b>48,400</b>	<b>64.6%</b>	<b>-26,500</b>
<b>TOTAL PRIVATE</b>	<b>4,163</b>	<b>4,154</b>	<b>0.2%</b>	<b>1.3%</b>	<b>946,200</b>	<b>1,001,000</b>	<b>105.8%</b>	<b>54,800</b>
<b>GOVERNMENT</b>	<b>581</b>	<b>575</b>	<b>1.0%</b>	<b>0.8%</b>	<b>22,100</b>	<b>8,300</b>	<b>37.5%</b>	<b>-13,800</b>
<b>TOTAL (PRIVATE + GOVERNMENT) NYC</b>	<b>4,743</b>	<b>4,729</b>	<b>0.3%</b>	<b>1.2%</b>	<b>956,400</b>	<b>997,400</b>	<b>104.3%</b>	<b>41,000</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](http://edc.nyc/insights).

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