

New York City Economic Snapshot

August 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 8,100 private sector jobs in July, **as the city hit another new all-time high for private employment and is 73,400 jobs above pre-pandemic levels.** New York City private sector jobs have grown 2.7 percent over the past year, faster than New York State (1.9%) and national (1.4%) growth rates.
- The labor force participation rate rose 0.2 percentage points to 62.6 percent, another all-time high (since 1976). The unemployment rate increased 0.2 percentage points to 5.0 percent, the first increase in nine months.
- The broader New York City metro area added 202,900 jobs over the past year, leading all metro areas in the nation. The New York City metro area has added 571,900 jobs since the start of 2022, more than the Dallas and Miami metro areas combined.
- New data from Kastle and REBNY show more workers coming into the office over the past month. REBNY data show that June reached a new post-pandemic high with office visitation at 77 percent of pre-pandemic levels and Class A+ visitation at 91 percent of pre-pandemic levels, as high-quality office stock continues to outperform the rest of the office market. Kastle return-to-office data again broke above 50 percent. All three metrics have improved over the past year—REBNY overall office visitation is up 5 percentage points, REBNY Class A+ office visitation is up 8 percentage points, and Kastle is up almost 3 percentage points.
- Despite residential market-rate rental inventory increasing 6.5 percent over the past year, residential asking rents have continued to increase and are at all-time highs.

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', 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 8,100 private sector jobs in June, as New York City hit another new all-time high for private employment and is 73,400 jobs above pre-pandemic levels. The labor force participation rate rose 0.2 percentage points to 62.6%, another all-time high, while the unemployment rate increased for the first time in nine months, to 5.0%. The NYC Metro Area added 202,900 jobs over the past year, leading all metro areas in the nation.				
City Private Sector Employment Change & Annual Growth Rate (July 2024)	+8,100 +2.7% y/y	+16,700 +1.5% y/y	+331,900	+6,500 per month +2.4% y/y (2019 avg)
Metro Area Employment (July 2024)	-5,100 +2.0% y/y	+14,900 +1.3% y/y	+571,900	+7,800 per month, +1.3% y/y (2019 avg)
Job Postings (July 2024)	60,200	65,800	2.11M	76,600 (2019 avg)
Labor Force Participation (July 2024)	62.6%	62.4%	+2.4 pct pts	60.2% (Feb 2020)
Unemployment Rate (July 2024)	5.0%	4.8%	-3.1 pct pts	4.3% (Feb 2020)
BIPOC Unemployment Rate (2024:Q2)	5.7%*	6.1%	-3.4 pct pts	5.3% (2020:Q1)
Black Unemployment Rate (2024:Q2)	7.3%*	7.9%	-3.4 pct pts	8.1% (2020:Q1)
Latinx Unemployment Rate (2024:Q2)	6.5%*	6.7%	-2.6 pct pts	5.3% (2020:Q1)
White Unemployment Rate (2024:Q2)	3.3%*	3.3%	-3.5 pct pts	2.7% (2020:Q1)
BIPOC Labor Force Participation Rate (2024:Q2)	59.6%*	59.3%	+1.8 pct pts	58.2% (2020:Q1)
Black Labor Force Participation Rate (2024:Q2)	59.9%*	59.7%	+4.5 pct pts	56.2% (2020:Q1)
Latinx Labor Force Participation Rate (2024:Q2)	58.8%*	58.2%	+0.3 pct pts	58.9% (2020:Q1)
White Labor Force Participation Rate (2024:Q2)	67.5%*	67.1%	+3.8 pct pts	63.8% (2020:Q1)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
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.				
New Business Formation (2023:Q4)	4,500	5,600	55,000	7,100 (2019 avg)
Net Business Formation (2023:Q4)	-840	-420	+5,600	+400 (2019 avg)
VC Funding (2024:Q2)	\$7.715B	\$5.393B (2024:Q1)	\$60.735B	\$5.063B (2019:Q2)
VC Funding (2024 through Q2)	\$13.108B	\$10.139B (2023 through Q2)	n/a	\$13.804B (2019 through Q2)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
Key Takeaways: Real Estate				
New data from Kastle and REBNY show stronger office visitation metrics over the past month, as Kastle data again broke above 50% and REBNY reached a new post-pandemic high. Both metrics have improved over the past year—Kastle is up almost 3 percentage points year-over-year, and REBNY overall office visitation is up 5 percentage points. Class A+ visitation was 91% of pre-pandemic levels in June, 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.				
Kastle Metro Area Office Occupancy (4-wk avg, 7/30/24)	50.3%	49.8%	+27.1 pct pts	100%
PFNYC Return to Office Survey (May 2024)	56%	58% (Sept 2023)	+28 pct pts (Oct 2021)	n/a
REBNY Office Visitation (June 2024)	77%	74%	n/a	100% (2019)
REBNY Class A+ Office Visitation (June 2024)	91%	86%	n/a	100% (2019)
Manhattan Office Availability Average** (2024:Q2)	19.2%	19.4%	+1.5 pct pts	10.3% (2019 avg)
Citywide Office Vacancy Rate (2024:Q2)	14.8%	15.0%	+2.6 pct pts	7.6% (2019 avg)
Citywide Office Leasing Activity (2024:Q2)	65.3%	76.5%	-1.9 pct pts	100% (2019:Q2)
Citywide Retail Vacancy Rate (2024:Q2)	3.9%	3.9%	+0.2 pct pts	3.2% (2019 avg)
StreetEasy Rent Index (July 2024)	121.9	121.0	+21.5 pts	100.0 (February 2020)
StreetEasy Inventory Index (July 2024)	94.1	87.1	-0.7 pts	100.0 (June 2019)

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

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
Key Takeaways: Tourism & Transit				
Tourism data was a bit weaker over the prior month, with both Broadway attendance and hotel occupancy down. However, with Broadway attendance at 89.5% of pre-pandemic levels, and hotel occupancy at 86.2% in July (compared to 89.1% in July 2019), these metrics have nearly recovered to pre-pandemic levels. Transit indicators are mixed, with subway ridership seeing slight improvement and bus ridership seeing a slight decline. On subways, ridership averaged 3.06 million daily riders over the past month, while bus ridership averaged 1.03 million daily riders.				
Broadway Attendance (4-wk avg, 8/11/24)	89.5%	92.9%	+19.0 pct pts	100%
Hotel Occupancy Rate (July 2024)	86.2%	88.3%	n/a	89.1% (July 2019)
Subway Ridership (30-day avg, 8/13/24)	69.1%	68.7%	+12.5 pct pts	100%
Bus Ridership (30-day avg, 8/13/24)	56.4%	57.0%	-7.1 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

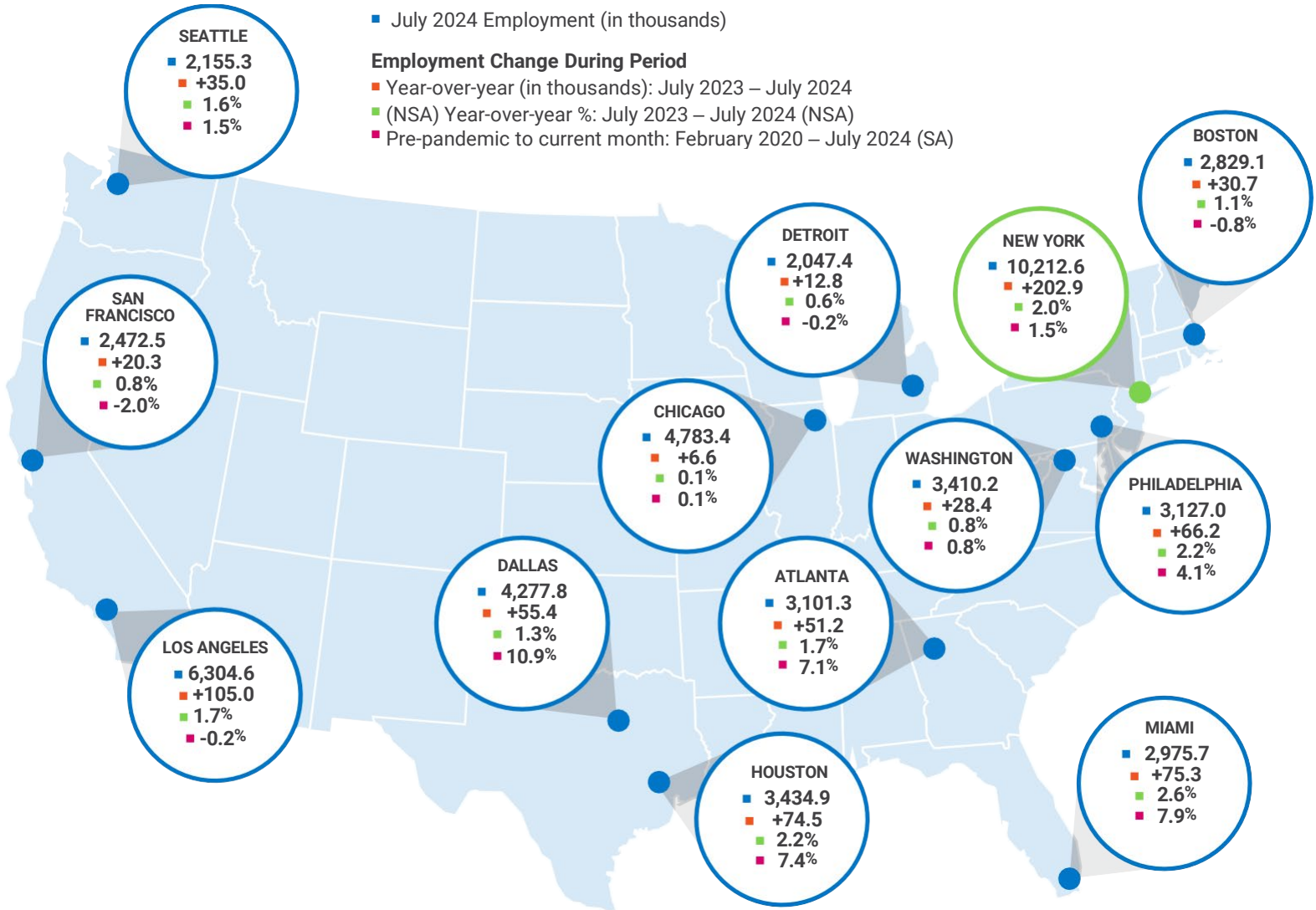
INDUSTRY	EMPLOYMENT (thousands)							
	Jul 2024	Jun 2024	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to Jul 2024	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to Jul 2024
FIRE	502	503	-0.1%	-0.2%	25,600	40,500	158.0%	14,900
Finance & Insurance	368	369	-0.1%	-0.5%	10,800	30,600	283.9%	19,900
Securities	195	195	0.0%	-2.5%	5,600	18,400	326.7%	12,800
Banking	111	111	-0.1%	2.2%	3,700	9,000	241.2%	5,300
Other	62	62	-0.2%	1.6%	1,400	3,200	226.8%	1,800
Real Estate	134	134	-0.4%	0.4%	16,200	11,200	69.1%	-5,000
SERVICES	2,905	2,896	0.3%	4.3%	641,600	789,900	123.1%	148,300
Information	204	211	-3.2%	-6.7%	35,400	10,600	30.0%	-24,800
Professional & Business	799	800	-0.1%	0.9%	101,500	119,100	117.4%	17,600
Professional, Scientific & Technical	462	463	-0.1%	0.8%	37,500	53,900	143.6%	16,400
Management of Companies & Enterprises	76	77	-0.6%	1.3%	11,100	15,000	134.7%	3,900
Administrative & Support	260	260	0.0%	0.9%	57,500	54,900	95.5%	-2,600
Educational	263	256	2.8%	5.3%	27,700	33,900	122.6%	6,200
Healthcare & Social Assistance	1,004	995	0.9%	9.3%	116,000	296,700	255.7%	180,700
Arts & Entertainment	87	90	-3.6%	3.0%	55,700	46,900	84.2%	-8,800
Accommodation & Food	362	360	0.6%	5.9%	268,600	256,200	95.4%	-12,500
Other	186	184	0.9%	3.0%	66,900	56,700	84.8%	-10,200
TRADE	433	431	0.6%	-0.2%	147,300	94,900	64.4%	-52,400
Retail	301	300	0.4%	-0.8%	115,800	71,000	61.3%	-44,800
Wholesale	132	131	1.1%	1.1%	31,600	23,900	75.7%	-7,700
MANUFACTURING	58	57	1.2%	0.0%	28,100	19,800	70.3%	-8,400
TRANSPORTATION AND UTILITIES	150	150	-0.1%	1.4%	39,700	39,600	99.6%	-100
NATURAL RESOURCES, MINING AND CONSTRUCTION	134	137	-2.2%	-6.3%	74,900	46,000	61.5%	-28,800
TOTAL PRIVATE	4,181	4,173	0.2%	2.7%	946,200	1,019,600	107.8%	73,400
GOVERNMENT	564	578	-2.5%	1.0%	22,100	(8,600)	-39.2%	-30,700
TOTAL (PRIVATE + GOVERNMENT) NYC	4,745	4,751	-0.1%	2.5%	956,400	999,000	104.5%	42,700

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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