

New York City Economic Snapshot

September 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 shed 4,100 private sector jobs in August. Despite the loss, New York City private sector employment is 71,000 jobs above pre-pandemic levels. New York City private sector jobs have grown 2.4% over the past year, faster than the New York State (1.8%) and national (1.4%) growth rates.
- The labor force participation rate rose 0.1 percentage points to 62.7 percent, another all-time high (since 1976). The unemployment rate increased 0.2 percentage points to 5.2%, the second consecutive increase. The US unemployment rate has been slowly increasing since early 2023, from 3.4% to 4.2%, as the national labor market has cooled a bit, and this national trend may be finally hitting the NYC labor force.
- The broader New York City metro area added 174,300 jobs over the past year, leading all metro areas in the nation. The New York City metro area has added 559,200 jobs since the start of 2022, more than the Houston and Miami metro areas combined.
- There were 68,600 new job postings in New York City in August. Job postings are up 13.4% from a year ago and job postings in the Tech sector are up 8.2%.
- The residential rental market data is mixed: The price index has increased for eight consecutive months as residential asking rents are at record highs, but the residential rental inventory index has increased for five consecutive months as supply has improved.
- Tourism and transit data were broadly stronger last month. Broadway attendance is at 96% of pre-pandemic levels and has increased 9% over the past year. Hotel occupancy, at 87.4% in August, is nearly at the pre-pandemic reading of 89.9% (from August 2019). And subway ridership is up 4% from a year ago, as daily ridership is averaging 3.15 million over the past month.

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 lost 4,100 private sector jobs in August but is still 71,000 jobs above pre-pandemic levels. New York City continues to add jobs faster than New York State and the US overall. The labor force participation rate rose 0.1 percentage points to 62.7%, another all-time high, while the unemployment rate increased for the second consecutive month to 5.2%. Job postings increased in August and have increased 13.4% over the past year.				
City Private Sector Employment Change & Annual Growth Rate (August 2024)	-4,100 +2.4% y/y	+9,900 +2.7% y/y	+329,500	+6,500 per month +2.4% y/y (2019 avg)
Metro Area Employment (August 2024)	-8,200 +1.7% y/y	-9,600 +2.0% y/y	+559,200	+7,800 per month, +1.3% y/y (2019 avg)
Job Postings (August 2024)	68,600	58,800	2.17M	76,600 (2019 avg)
Labor Force Participation (August 2024)	62.7%	62.6%	+2.5 pct pts	60.2% (Feb 2020)
Unemployment Rate (August 2024)	5.2%	5.0%	-2.9 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)

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

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				
Office visitation data are mixed, as Kastle data improved over the past month, despite being pulled down a bit by late August vacations. During the first two weeks of September, Kastle office visitation averaged 52.9%. REBNY office visitation metrics were weaker than June, when they reached post-COVID highs. Despite a weaker July (mostly driven by July 4 week), overall visitation is up 6 percentage points over the past year. Class A+ buildings continue to outperform, with visitation up 9 percentage points year over year. Excluding the week of July 4, the A+ visitation rate averaged 94% in July.				
Kastle Metro Area Office Occupancy (4-wk avg, 9/10/24)	48.0%	46.8%	+24.8 pct pts	100%
PFNYC Return to Office Survey (May 2024)	56%	58% (Sept 2023)	+28 pct pts (Oct 2021)	n/a
REBNY Office Visitation (July 2024)	72%	77%	n/a	100% (2019)
REBNY Class A+ Office Visitation (July 2024)	86%	91%	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 (August 2024)	122.4	121.8	+22.0 pts	100.0 (Feb 2020)
StreetEasy Inventory Index (August 2024)	96.5	95.0	+1.7 pts	100.0 (Aug 2019)

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

Indicator	Latest	Previous	Change	Pre-COVID
Key Takeaways: Tourism & Transit				
Tourism and transit data were generally better, with Broadway attendance averaging 222,000 people per week and increasing 9 percent over the past year. Hotel occupancy also improved, and at 87.4%, is close to pre-pandemic hotel occupancy rates in from August 2019 of 89.9%. Subway ridership was down in month-over-month terms, but averaged 3.15 million riders per day and has increased 4% year-over-year.				
Broadway Attendance (4-wk avg, 9/15/24)	95.8%	88.3%	+25.3 pct pts	100%
Hotel Occupancy Rate (August 2024)	87.4%	86.3%	n/a	89.9% (Aug 2019)
Subway Ridership (30-day avg, 9/18/24)	68.5%	69.0%	+11.9 pct pts	100%
Bus Ridership (30-day avg, 9/18/24)	58.9%	56.6%	-4.6 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. 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

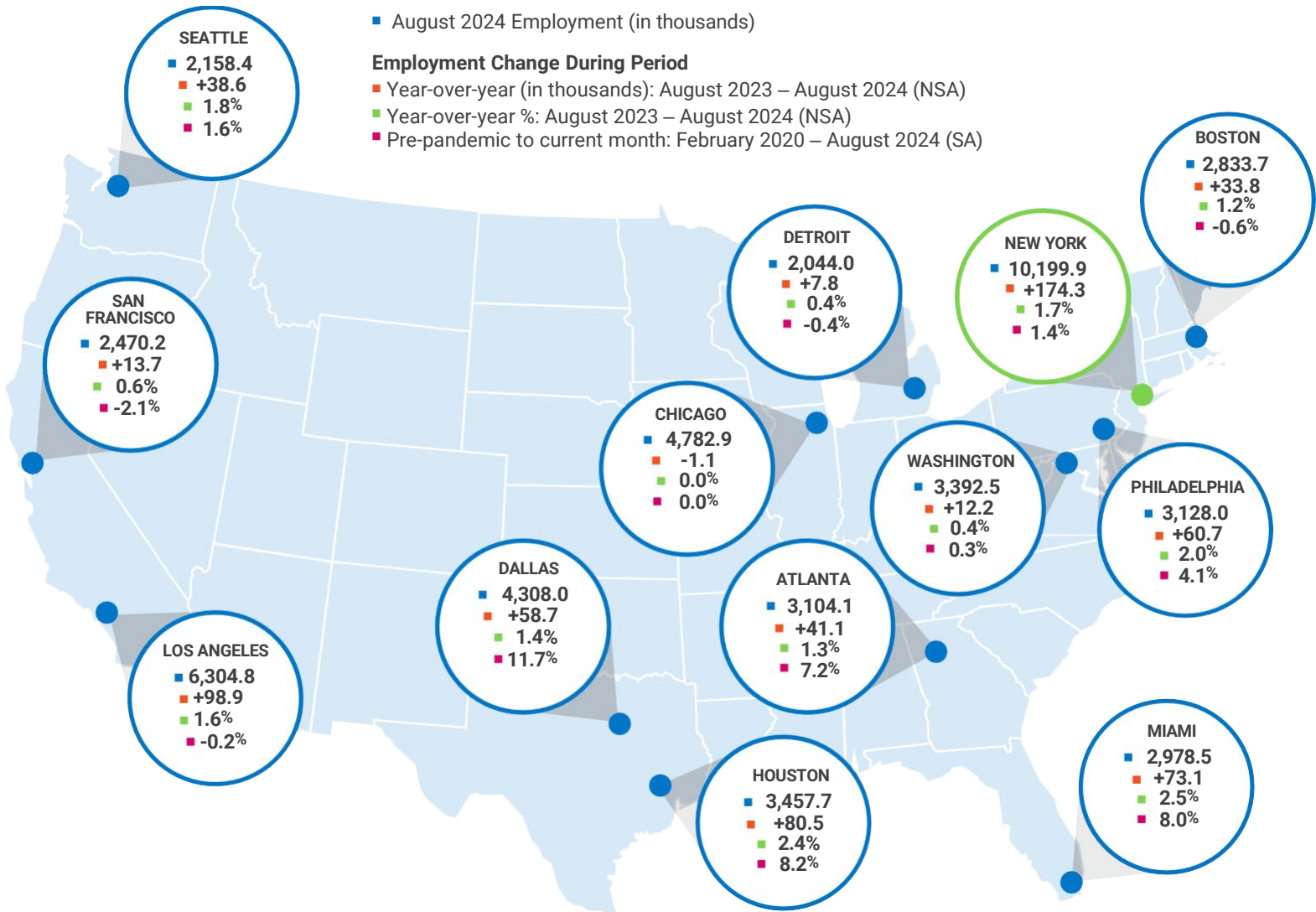
INDUSTRY	EMPLOYMENT (thousands)							
	Aug 2024	Jul 2024	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to Aug 2024	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to Aug 2024
FIRE	501	501	-0.1%	-1.1%	25,600	39,300	153.5%	13,700
Finance & Insurance	367	368	-0.2%	-1.5%	10,800	29,200	270.7%	18,400
Securities	194	195	-0.4%	-3.8%	5,600	17,200	304.9%	11,500
Banking	111	110	0.1%	1.0%	3,700	8,900	237.1%	5,100
Other	62	62	-0.2%	1.5%	1,400	3,200	223.5%	1,800
Real Estate	134	134	0.2%	0.2%	16,200	11,400	70.8%	(4,700)
SERVICES	2,905	2,910	-0.2%	4.0%	641,600	789,900	123.1%	148,300
Information	206	206	0.4%	-4.5%	35,400	12,600	35.7%	(22,800)
Professional & Business	791	799	-1.0%	-0.4%	101,500	111,000	109.4%	9,500
Professional, Scientific & Technical	459	461	-0.3%	-0.3%	37,500	51,000	135.8%	13,400
Management of Companies & Enterprises	75	76	-1.1%	0.7%	11,100	14,100	127.0%	3,000
Administrative & Support	256	262	-2.2%	-0.9%	57,500	50,600	88.0%	(6,900)
Educational	267	266	0.5%	7.1%	27,700	38,500	139.2%	10,800
Healthcare & Social Assistance	1,006	1,004	0.3%	8.9%	116,000	298,700	257.4%	182,700
Arts & Entertainment	89	89	0.4%	5.9%	55,700	49,000	87.9%	(6,700)
Accommodation & Food	362	362	-0.1%	5.2%	268,600	256,000	95.3%	(12,700)
Other	184	185	-1.0%	1.2%	66,900	54,300	81.2%	(12,500)
TRADE	433	433	0.1%	-0.6%	147,300	94,700	64.3%	(52,700)
Retail	301	300	0.2%	-1.5%	115,800	70,700	61.1%	(45,100)
Wholesale	132	132	0.0%	1.5%	31,600	23,900	75.9%	(7,600)
MANUFACTURING	57	57	-0.3%	-1.0%	28,100	18,900	67.1%	(9,200)
TRANSPORTATION AND UTILITIES	150	150	0.3%	1.9%	39,700	39,800	100.2%	100
NATURAL RESOURCES, MINING AND CONSTRUCTION	133	133	0.4%	-6.0%	74,900	45,700	61.0%	(29,200)
TOTAL PRIVATE	4,179	4,183	-0.1%	2.4%	946,200	1,017,200	107.5%	71,000
GOVERNMENT	571	564	1.2%	0.8%	22,100	(1,200)	-5.3%	(23,200)
TOTAL (PRIVATE + GOVERNMENT) NYC	4,750	4,748	0.1%	2.2%	956,400	1,004,200	105.0%	47,800

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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