New York City Economic Snapshot

October 2024

NYC / EDC

NYC /EDC

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 10,500 private sector jobs in September, while August private sector jobs were revised upward by 16,700. This revision is significant, making August an all-time high for private sector jobs. Despite the September job loss, New York City private sector employment is 77,200 jobs above pre-pandemic levels. New York City private sector jobs have grown 1.9% over the past year, faster than New York State (1.4%) and national (1.4%) growth rates.

- The labor force participation rate rose 0.1 percentage points to 62.8%, another all-time high (since 1976). The unemployment rate increased 0.1 percentage points to 5.3%, the third consecutive increase. Record labor force participation is a factor in the rising unemployment rate, as more New Yorkers seek employment.

- Office visitation metrics improved in the latest data, as the Kastle return-to-office averaged 51.9% in September. Meanwhile, REBNY estimates that office visitation reached 74% of pre-pandemic levels in August, improving 10 percentage points over the past year. Class A+ office continues to outperform the overall market, as Class A+ visitation averaged 87% of pre-pandemic levels.

- Real estate metrics were also stronger in Q3, as both Manhattan office availability and the citywide office vacancy rates declined for the second consecutive quarter. Leasing activity improved to 88.8% of pre-pandemic levels, as average lease size has improved 23% over the past year.

- Subway ridership averaged 3.25 million daily riders over the past month, up 8% from a year ago. Bus ridership averaged 1.26 million daily riders, also up 8% from a year ago. Despite these improvements, subway ridership is at 73% of pre-pandemic levels, while bus ridership is at 64%.

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

New York City Economic Snapshot as of 10.24.24

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
Key Takeaways: Labor Market The city lost 10,500 private sector jobs in September, mostly on losses in the education sector. The labor force participation rate rose 0.1 percentage points to 62.8%, another all-time high, while the unemployment rate increased for the third consecutive month to 5.3%. Job postings increased in September and are up 38.9% from a year ago, while Tech job postings are up 36.8% year-over-year.				
City Private Sector Employment Change & Annual Growth Rate (September 2024)	-10,500 +1.9% y/y	+10,900 +2.7% y/y	+335,700	+6,500 per month +2.4% y/y (2019 avg)
Metro Area Employment (September 2024)	+23,400 +1.5% y/y	+14,900 +2.0% y/y	+605,700	+7,800 per month, +1.3% y/y (2019 avg)
Job Postings (September 2024)	69,500	67,000	2.24M	76,600 (2019 avg)
Labor Force Participation (September 2024)	62.8%	62.7%	+2.6 pct pts	60.2% (Feb 2020)
Unemployment Rate (September 2024)	5.3%	5.2%	-2.8 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)

New York City Economic Snapshot as of 10.24.24

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
Key Takeaways: Business Activity				
About 23,400 businesses (or 1 in 8) were started in the past year, as 6,440 new businesses started in 2024:Q1. However, we estimate that 7,890 businesses closed, implying net business formation of -1,450 in the latest data. VC funding was weaker in Q3 (down 34% compared to Q2), but 2024 is still on track to beat 2023 levels (although well behind a record-setting 2021 and very strong 2022 for NYC venture capital).				
New Business Formation (2024:Q1)	6,440	4,750	61,700	7,100 (2019 avg)
Net Business Formation (2024:Q1)	-1,450	-680	+4,030	+400 (2019 avg)
VC Funding (2024:Q3)	$4.790B	$7.302B (2024:Q2)	$63.937B	$4.085B (2019:Q3)
VC Funding (2024 through Q3)	$18.014B	$13.644B (2023 through Q3)	n/a	$17.904B (2019 through Q3)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
Key Takeaways: Real Estate				
Office visitation data was stronger over the past month, with Kastle and REBNY metrics all improving. Office occupancy has improved 3 percentage points over the past year, while REBNY office visitation is up 10 percentage points from a year ago. Commercial real estate metrics for Q3 were also strong, as office vacancy and availability each fell for the second consecutive quarter. Office leasing activity is up 24% over the past year, as average lease size has increased 23%. In the residential rental market, the inventory index has increased for the sixth consecutive month, suggesting more apartments are available for lease. Despite this improvement in inventory, the residential rent index has increased for eight consecutive months.				
Kastle Metro Area Office Occupancy (4-wk avg, 10/1/24)	51.9%	45.5%	+28.7 pct pts	100%
PFNYC Return to Office Survey (May 2024)	56%	58% (Sept 2023)	+28 pct pts (Oct 2021)	n/a
REBNY Office Visitation (August 2024)	74%	72%	n/a	100% (2019)
REBNY Class A+ Office Visitation (August 2024)	87%	86%	n/a	100% (2019)
Manhattan Office Availability Average** (2024:Q3)	18.8%	19.2%	+1.0 pct pts	10.3% (2019 avg)
Citywide Office Vacancy Rate (2024:Q3)	15.0%	15.1%	+2.7 pct pts	7.6% (2019 avg)
Citywide Office Leasing Activity (2024:Q3)	88.8%	66.1%	+21.8 pct pts	100% (2019:Q3)
Citywide Retail Vacancy Rate (2024:Q3)	3.9%	4.0%	+0.2 pct pts	3.2% (2019 avg)
StreetEasy Rent Index (September 2024)	122.4	122.3	+22.1 pts	100.0 (Feb 2020)
StreetEasy Inventory Index (September 2024)	102.1	97.1	+7.3 pts	100.0 (Sept 2019)

New York City Economic Snapshot as of 10.24.24

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
Key Takeaways: Tourism & Transit Tourism and transit data was generally better, as both subway and bus ridership improved over the prior month, and both subway and bus ridership are up 8% from a year ago. Hotel occupancy also improved, and at 87.3%, is close to pre-pandemic hotel occupancy rates in August 2019 of 89.9%. Despite the Broadway attendance index declining in month-over-month terms, Broadway attendance averaged 237,000 people per week and increased 20% over the past year.				
Broadway Attendance (4-wk avg, 10/1/24)	92.1%	94.4%	+21.6 pct pts	100%
Hotel Occupancy Rate (September 2024)	87.3%	87.2%	n/a	89.5% (Sept 2019)
Subway Ridership (30-day avg, 10/14/24)	73.4%	70.4%	+16.8 pct pts	100%
Bus Ridership (30-day avg, 10/14/24)	64.2%	58.9%	+0.7 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

[green] Indicator improved from prior reading

[pink] Indicator worsened from prior reading

[yellow] No change

New York City Economic Snapshot as of 10.24.24

NYC Employment by Industry

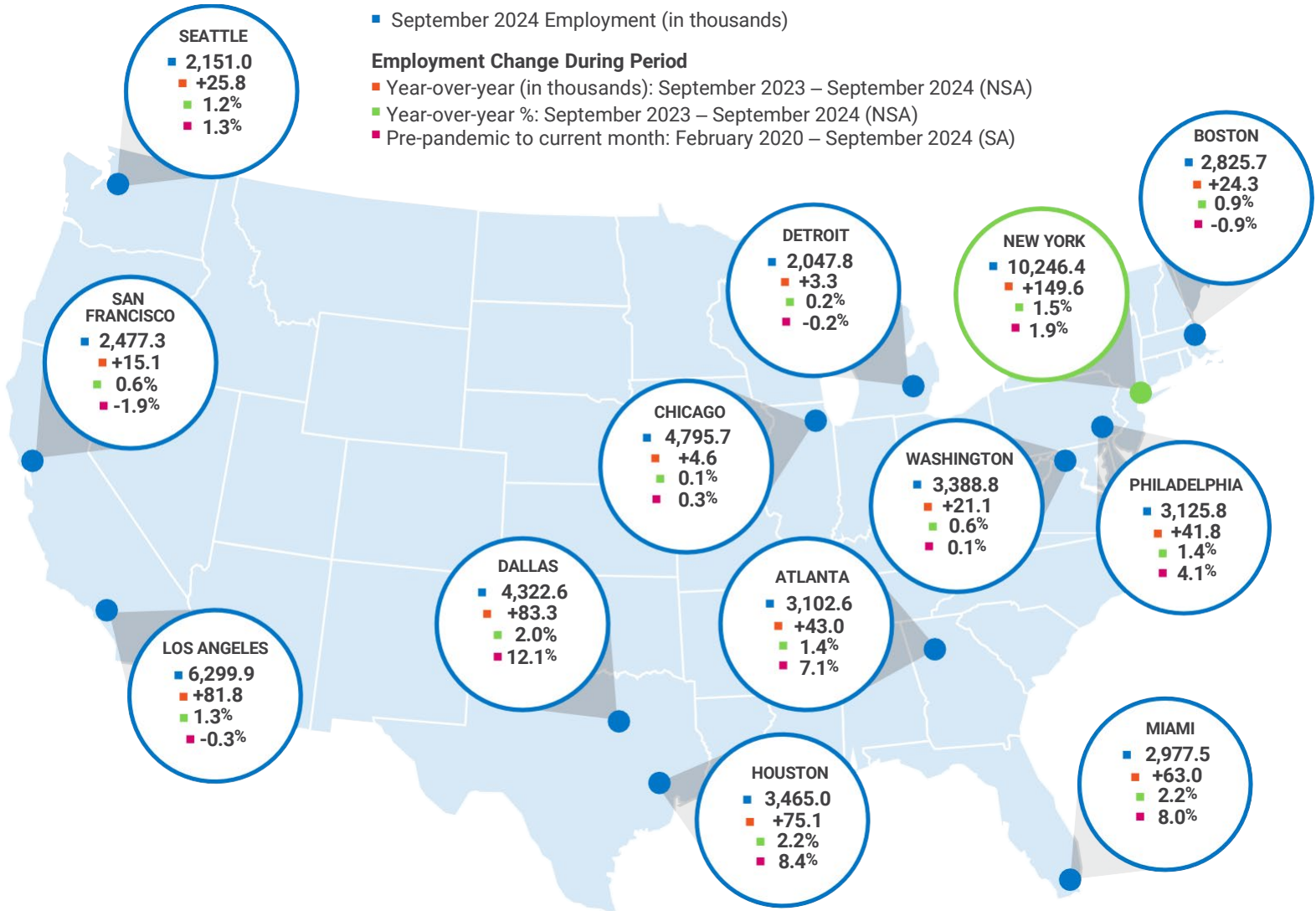| INDUSTRY	EMPLOYMENT (thousands)							
	Sept 2024	Aug 2024	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to Sept 2024	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to Sept 2024
FIRE	**505**	**503**	**0.4%**	**0.5%**	**25,600**	**43,000**	**168.0%**	**17,400**
Finance & Insurance	370	368	0.7%	0.4%	10,800	32,300	299.3%	21,500
Securities	196	194	0.9%	-1.2%	5,600	19,100	338.3%	13,400
Banking	112	111	0.6%	2.5%	3,700	9,800	262.7%	6,100
Other	63	62	0.1%	1.6%	1,400	3,400	240.9%	2,000
Real Estate	134	135	-0.3%	0.9%	16,200	12,100	74.7%	(4,100)
SERVICES	**2,907**	**2,919**	**-0.4%**	**3.0%**	**641,600**	**791,800**	**123.4%**	**150,200**
Information	207	211	-1.9%	-3.4%	35,400	13,100	36.9%	(22,400)
Professional & Business	789	791	-0.2%	-1.2%	101,500	109,500	107.9%	8,100
Professional, Scientific & Technical	459	460	-0.1%	-0.1%	37,500	50,600	134.9%	13,100
Management of Companies & Enterprises	76	75	1.1%	0.9%	11,100	14,800	132.7%	3,600
Administrative & Support	254	256	-0.9%	-3.6%	57,500	48,800	84.9%	(8,700)
Educational	257	265	-3.2%	-1.0%	27,700	27,900	100.9%	300
Healthcare & Social Assistance	1,019	1,014	0.5%	9.4%	116,000	311,300	268.2%	195,200
Arts & Entertainment	90	89	1.3%	4.8%	55,700	50,400	90.4%	(5,300)
Accommodation & Food	362	364	-0.7%	3.3%	268,600	256,100	95.3%	(12,500)
Other	183	184	-0.7%	0.8%	66,900	53,800	80.4%	(13,100)
TRADE	**433**	**433**	**0.0%**	**-0.5%**	**147,300**	**94,700**	**64.3%**	**(52,600)**
Retail	301	301	0.0%	-1.3%	115,800	71,100	61.4%	(44,700)
Wholesale	132	132	0.1%	1.2%	31,600	23,600	74.9%	(7,900)
MANUFACTURING	**56**	**56**	**0.3%**	**-1.4%**	**28,100**	**18,600**	**66.2%**	**(9,500)**
TRANSPORTATION AND UTILITIES	**150**	**150**	**-0.2%**	**0.6%**	**39,700**	**39,800**	**100.2%**	**100**
NATURAL RESOURCES, MINING AND CONSTRUCTION	**134**	**135**	**-0.4%**	**-6.1%**	**74,900**	**46,400**	**62.0%**	**(28,400)**
TOTAL PRIVATE	**4,185**	**4,196**	**-0.3%**	**1.9%**	**946,200**	**1,023,400**	**108.2%**	**77,200**
GOVERNMENT	**581**	**575**	**1.1%**	**1.0%**	**22,100**	**8,900**	**40.4%**	**(13,200)**
TOTAL (PRIVATE + GOVERNMENT) NYC	**4,767**	**4,770**	**-0.1%**	**1.8%**	**956,400**	**1,020,400**	**106.7%**	**64,000**

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

New York City Economic Snapshot as of 10.24.24

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.

■ September 2024 Employment (in thousands)

Employment Change During Period
■ Year-over-year (in thousands): September 2023 – September 2024 (NSA)
■ Year-over-year %: September 2023 – September 2024 (NSA)
■ Pre-pandemic to current month: February 2020 – September 2024 (SA)

SEATTLE
■ 2,151.0
■ +25.8
■ 1.2%
■ 1.3%

BOSTON
■ 2,825.7
■ +24.3
■ 0.9%
■ -0.9%

DETROIT
■ 2,047.8
■ +3.3
■ 0.2%
■ -0.2%

NEW YORK
■ 10,246.4
■ +149.6
■ 1.5%
■ 1.9%

SAN FRANCISCO
■ 2,477.3
■ +15.1
■ 0.6%
■ -1.9%

CHICAGO
■ 4,795.7
■ +4.6
■ 0.1%
■ 0.3%

WASHINGTON
■ 3,388.8
■ +21.1
■ 0.6%
■ 0.1%

PHILADELPHIA
■ 3,125.8
■ +41.8
■ 1.4%
■ 4.1%

DALLAS
■ 4,322.6
■ +83.3
■ 2.0%
■ 12.1%

ATLANTA
■ 3,102.6
■ +43.0
■ 1.4%
■ 7.1%

LOS ANGELES
■ 6,299.9
■ +81.8
■ 1.3%
■ -0.3%

MIAMI
■ 2,977.5
■ +63.0
■ 2.2%
■ 8.0%

HOUSTON
■ 3,465.0
■ +75.1
■ 2.2%
■ 8.4%

NSA - non seasonally adjusted
SA - seasonally adjusted

Source: US Bureau of Labor Statistics

New York City Economic Snapshot as of 10.24.24

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.

Contact us: **press@edc.nyc** | Follow us: **@nycedc**