



FEDERAL RESERVE BANK *of* NEW YORK

Overview of the Regional Economy

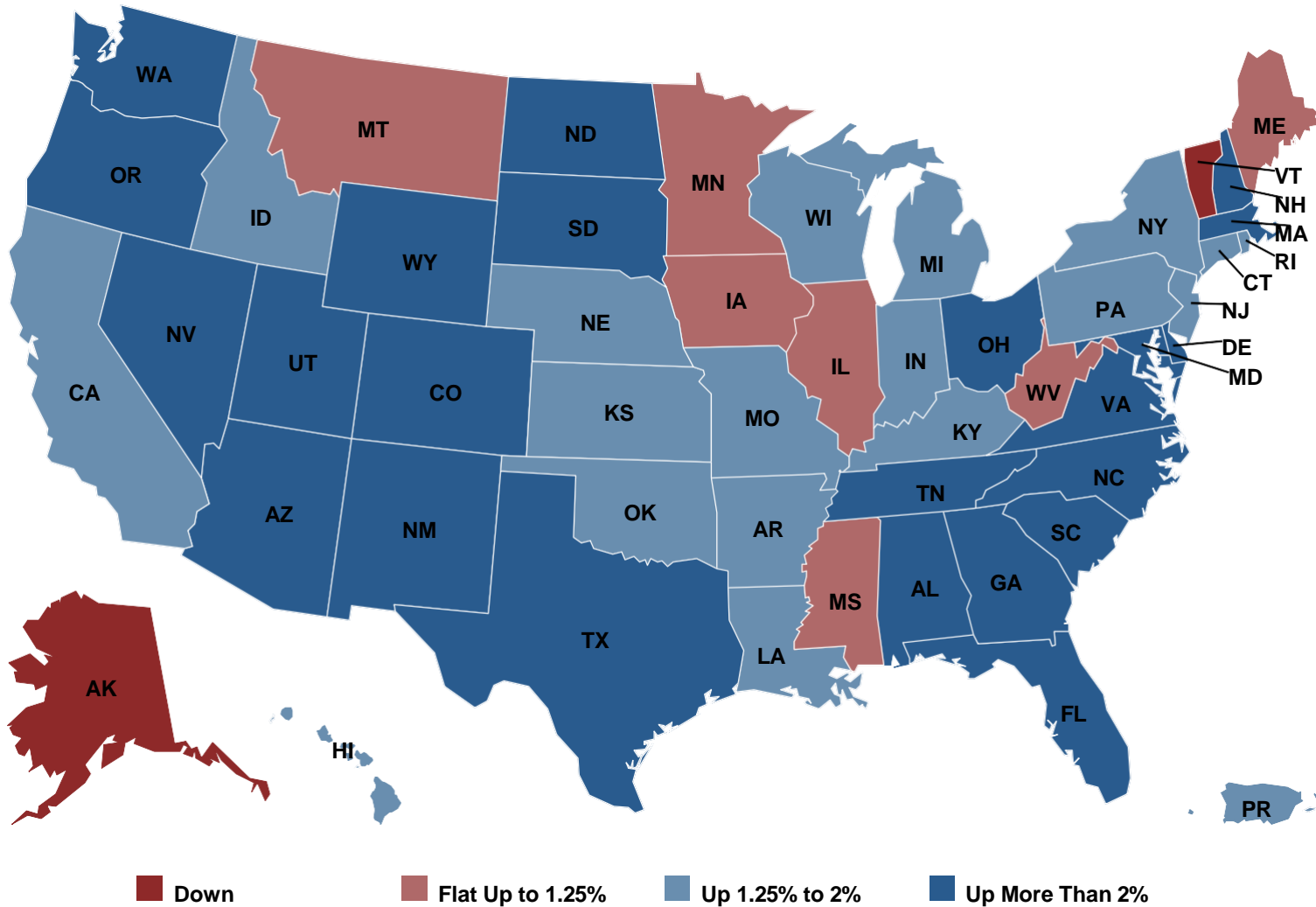
Jason Bram, Research Officer

Presentation to the Community Depository Institutions Advisory Council (CDIAC)
March 5, 2019

The views expressed here are those of the presenter and do not necessarily represent those of the Federal Reserve Bank of New York or the Federal Reserve System.

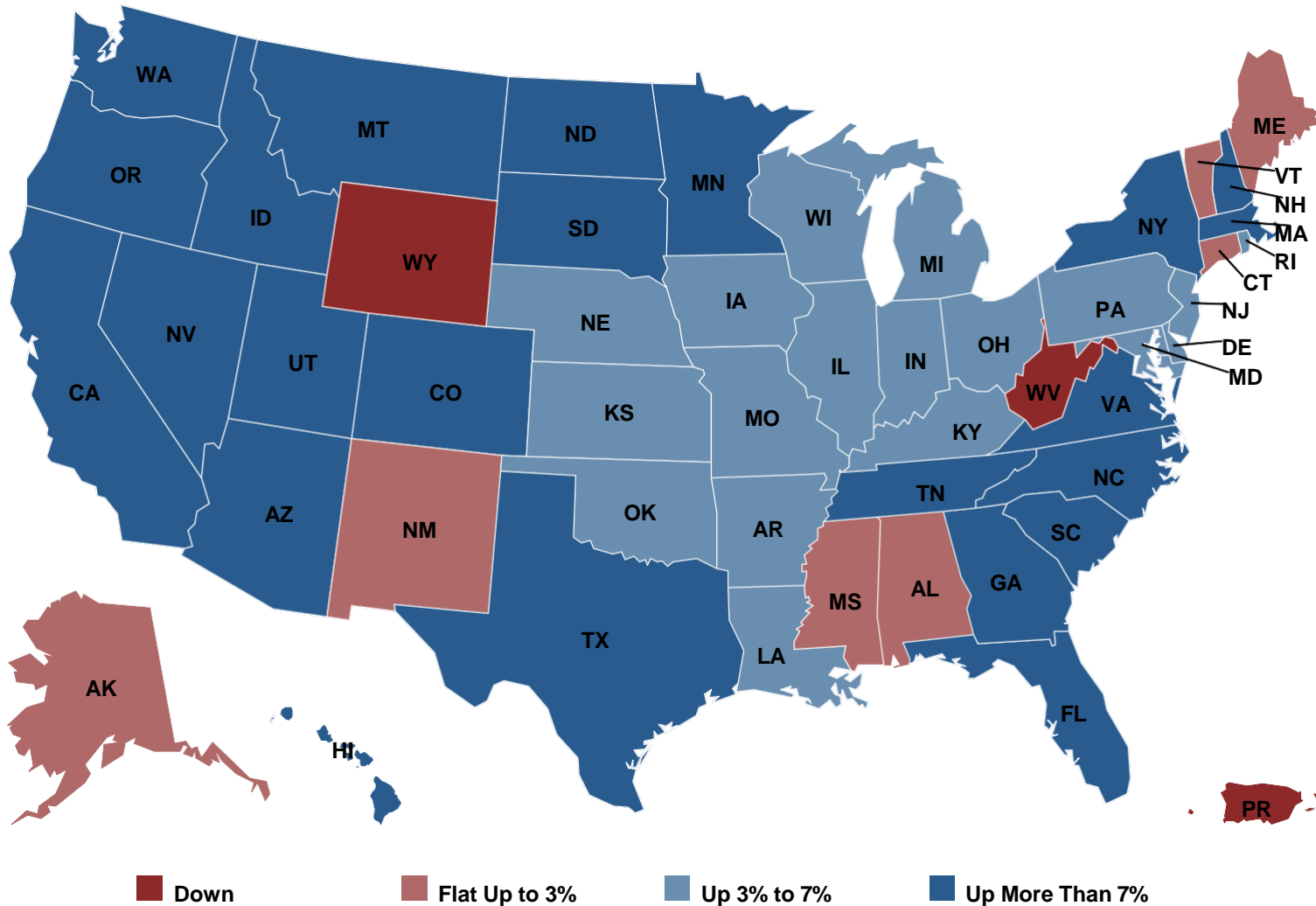
Recent Private-Sector Job Trends

Year-Over-Year Percent Change as of December 2018



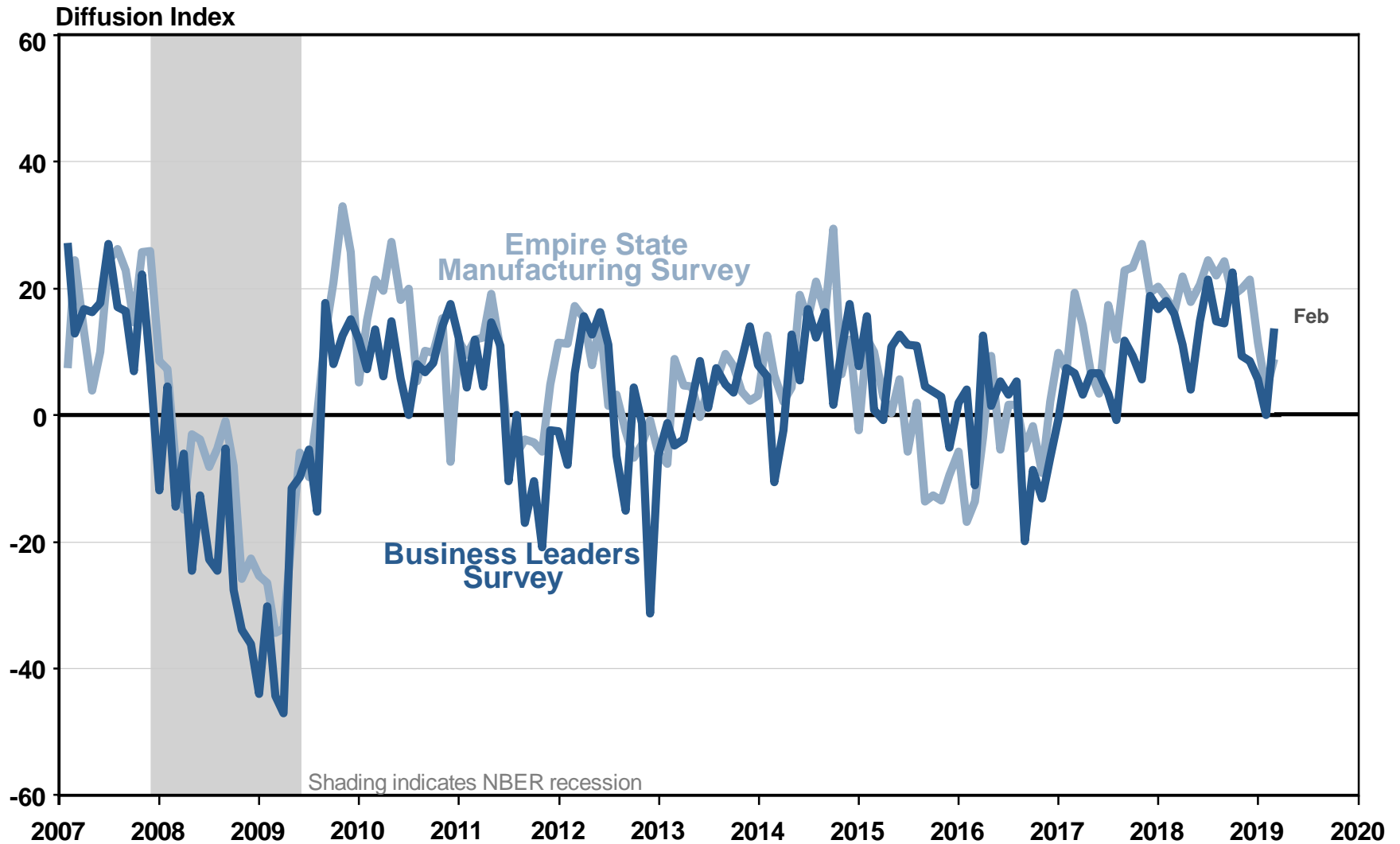
Private-Sector Job Trends

Percent Change From Previous Peak to December 2018



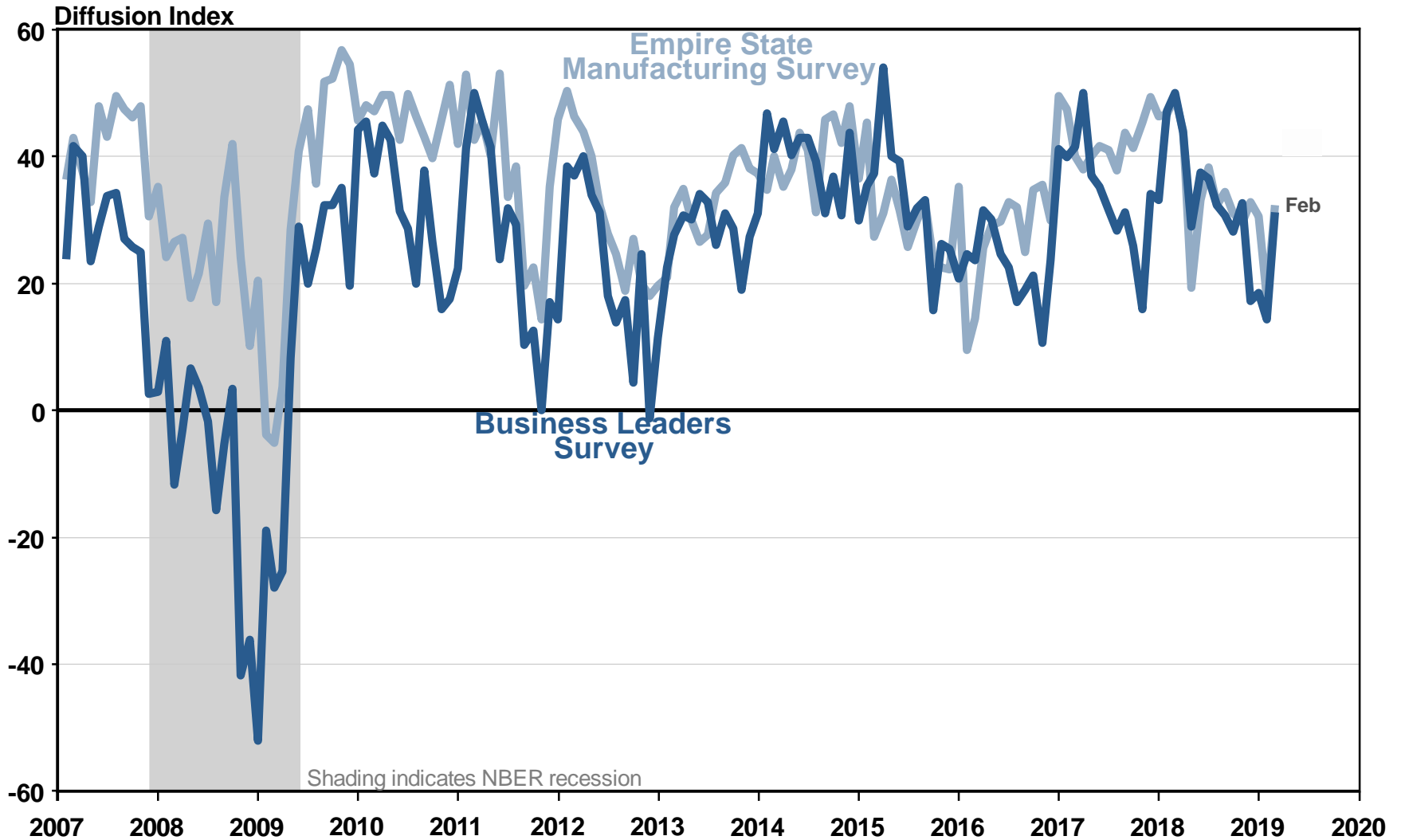
Current Economic Conditions

FRBNY Business Surveys, Current Conditions



Future Economic Conditions

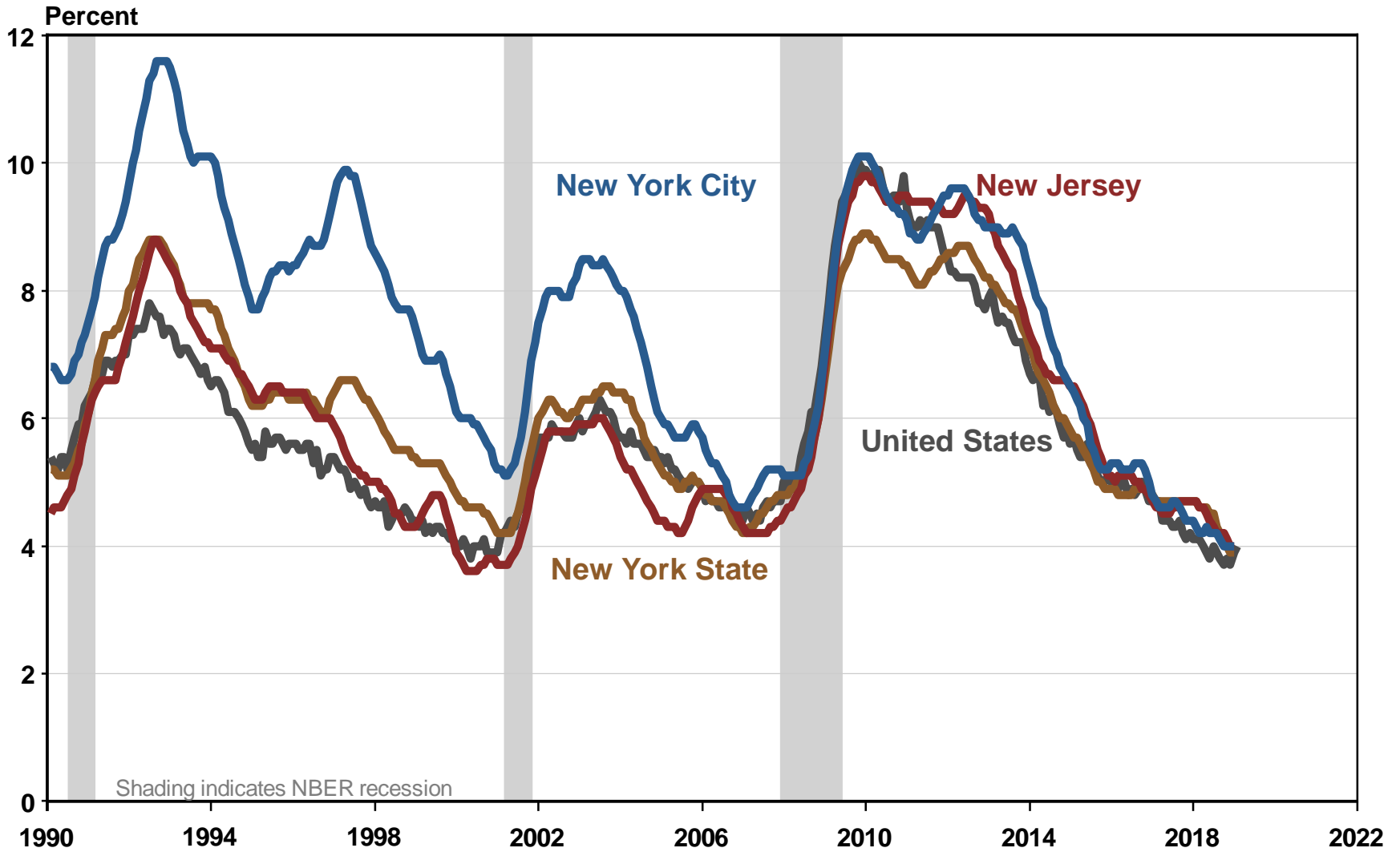
FRBNY Business Surveys, Conditions Six Months Ahead



Shading indicates NBER recession

Unemployment Rates

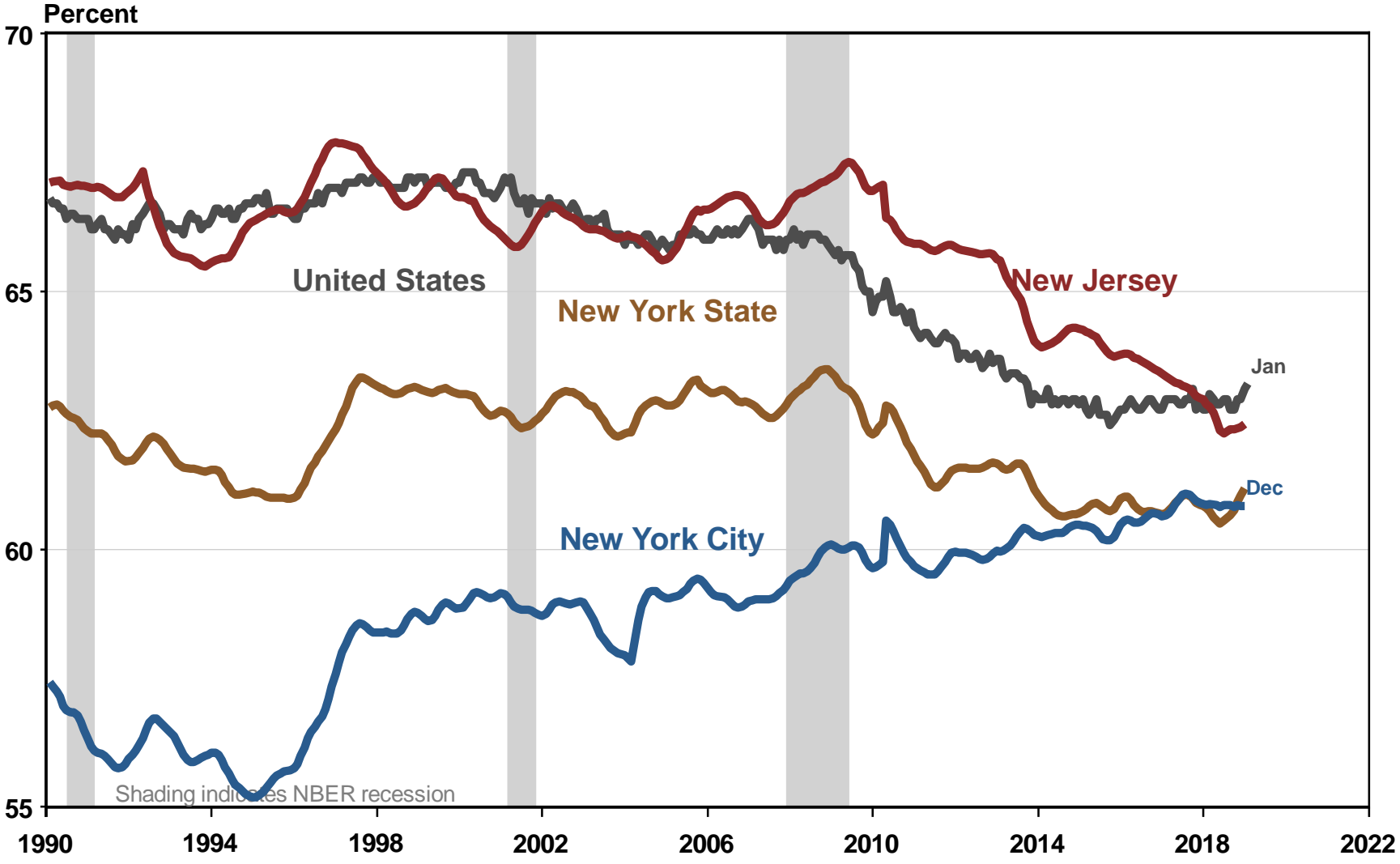
Seasonally Adjusted



Shading indicates NBER recession

Labor Force Participation

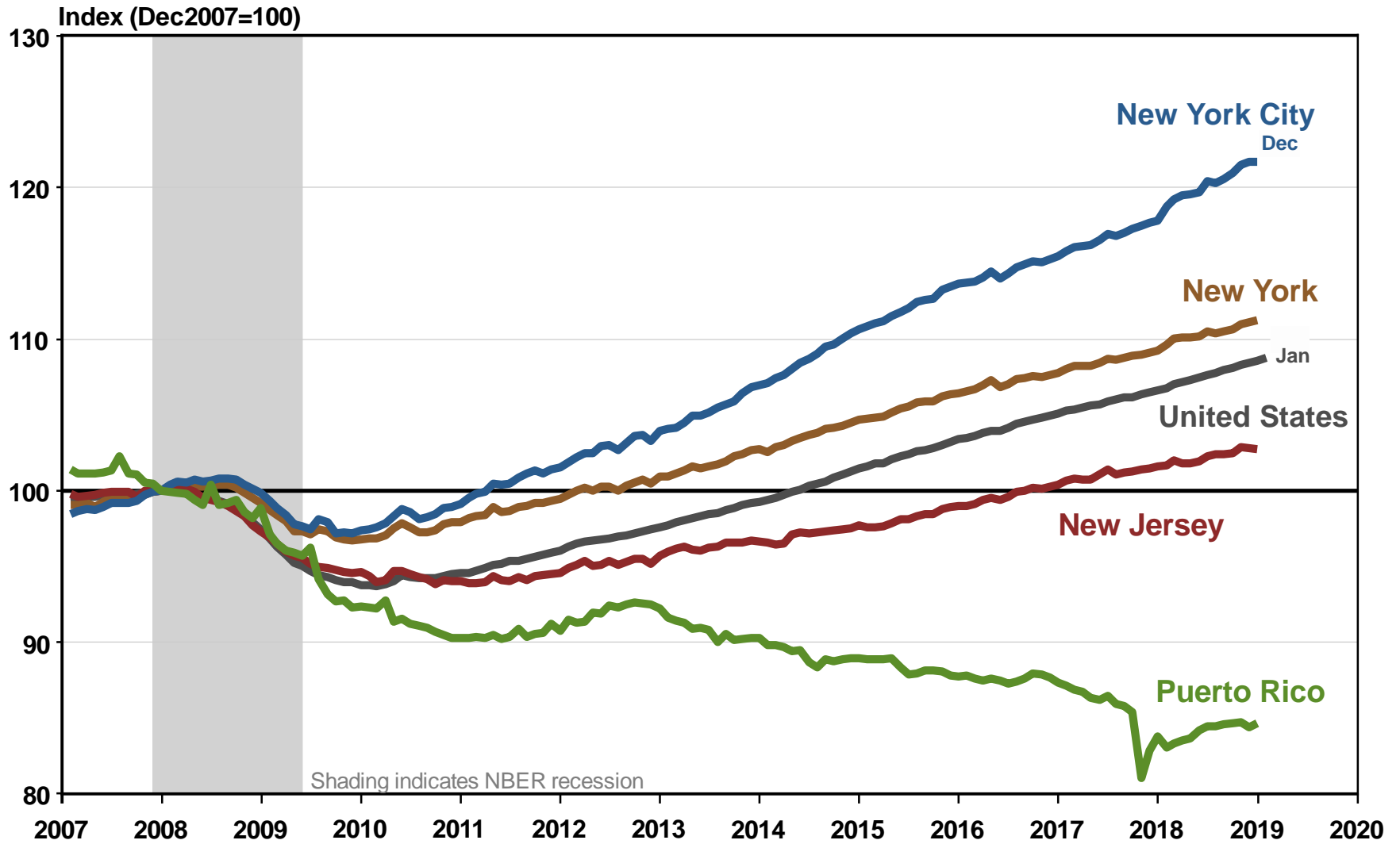
Seasonally Adjusted



Source: Bureau of Labor Statistics and Moody's Economy.com.

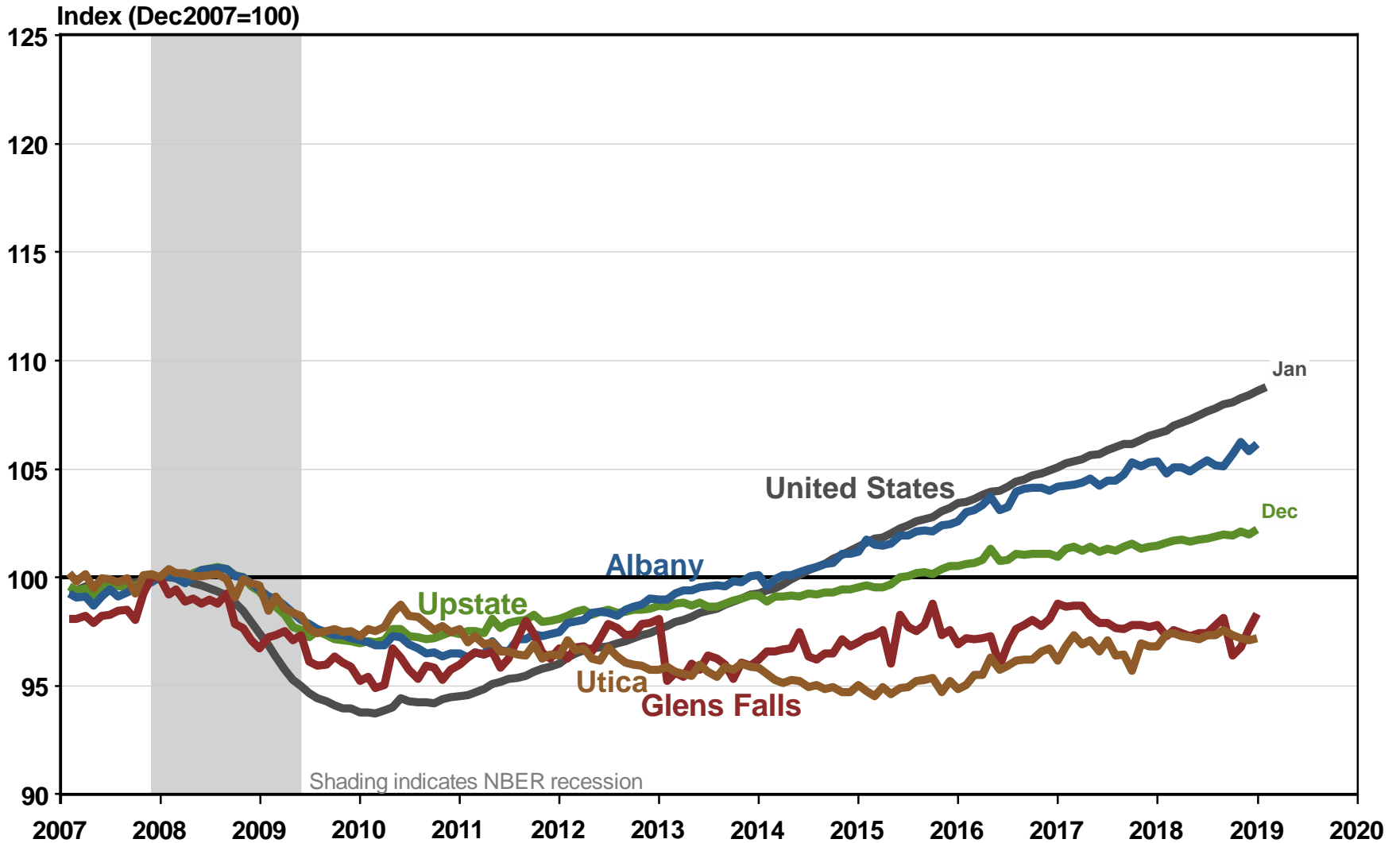
Total Employment

Seasonally Adjusted Index



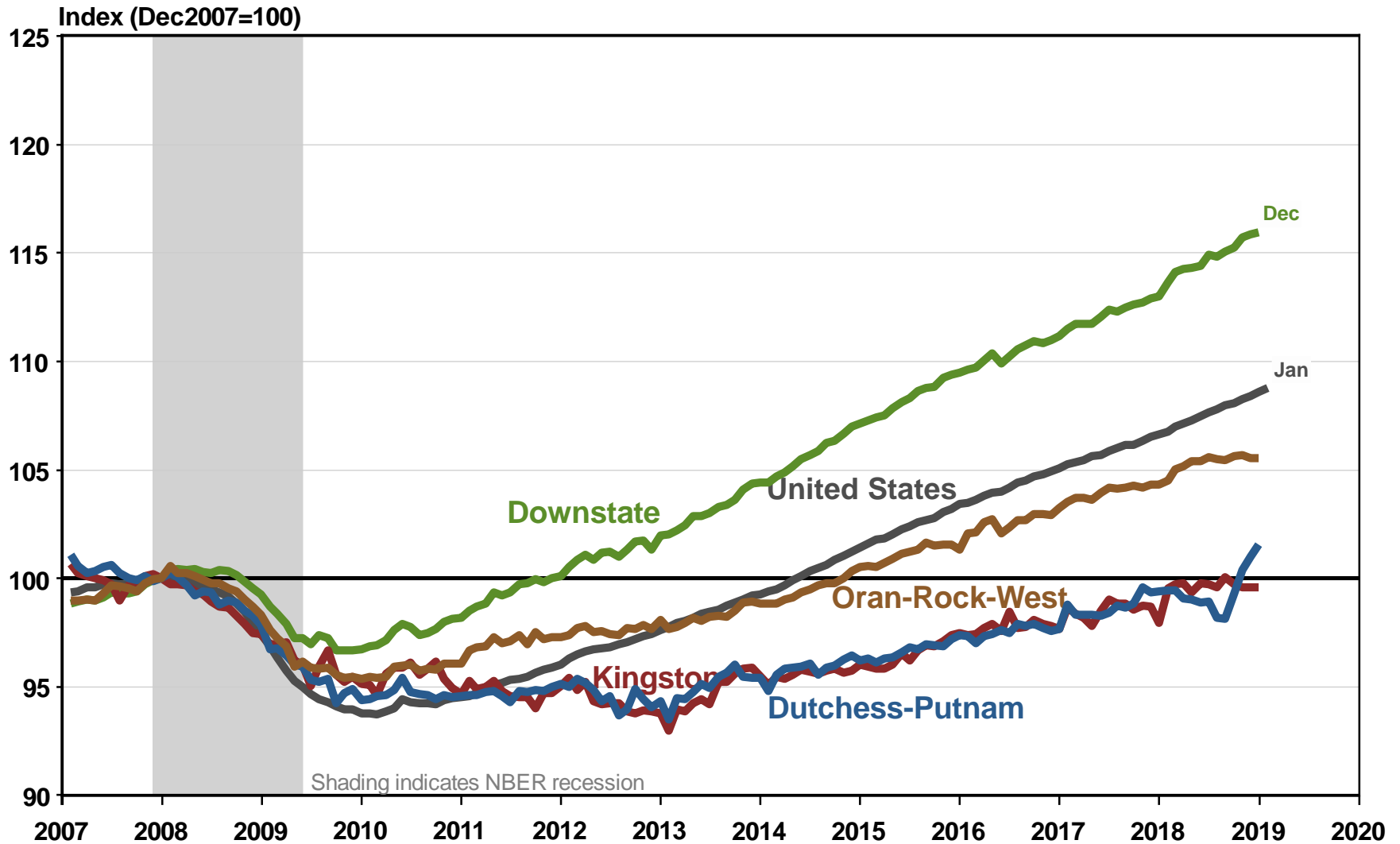
Total Employment

Seasonally Adjusted Index



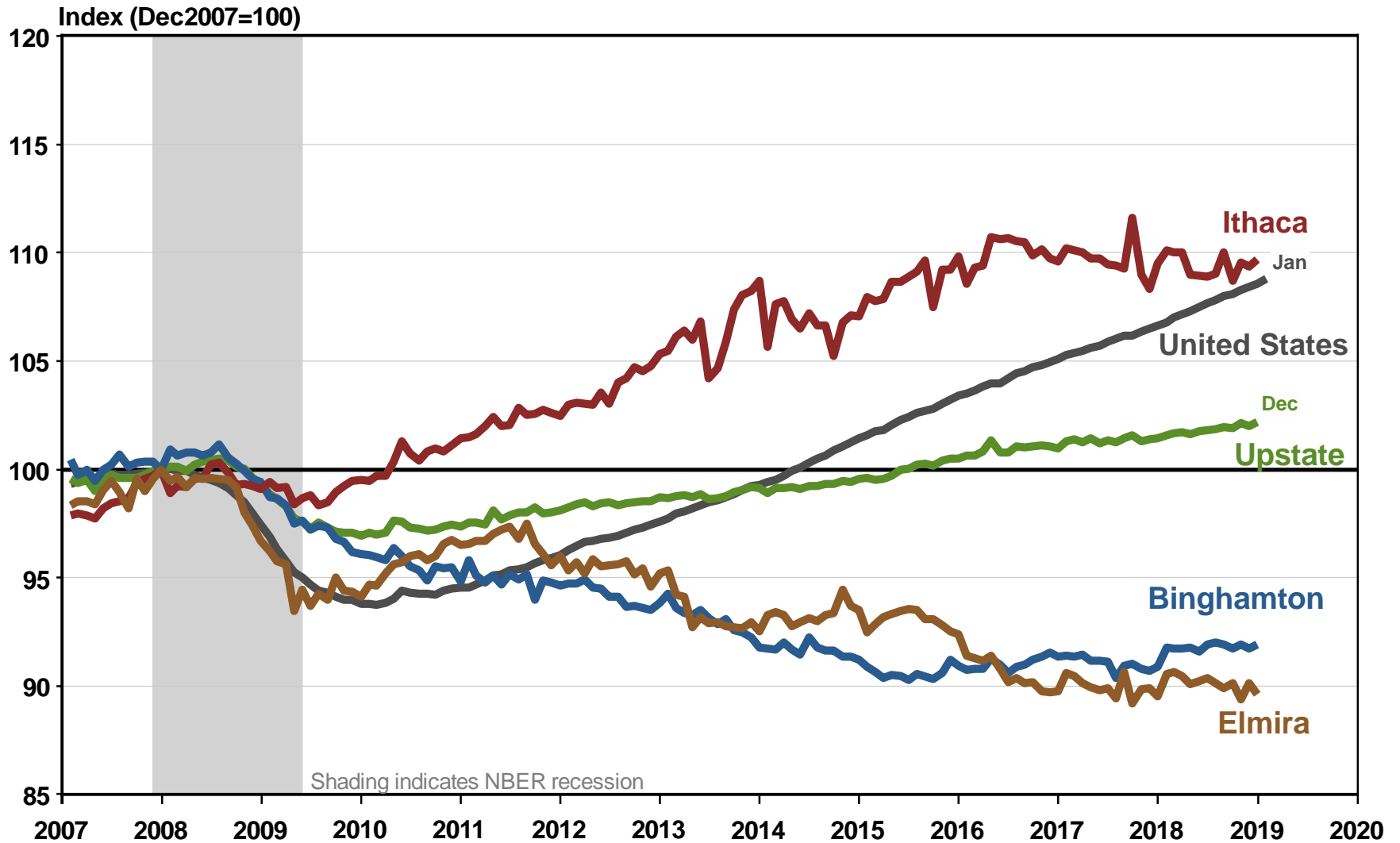
Total Employment

Seasonally Adjusted Index



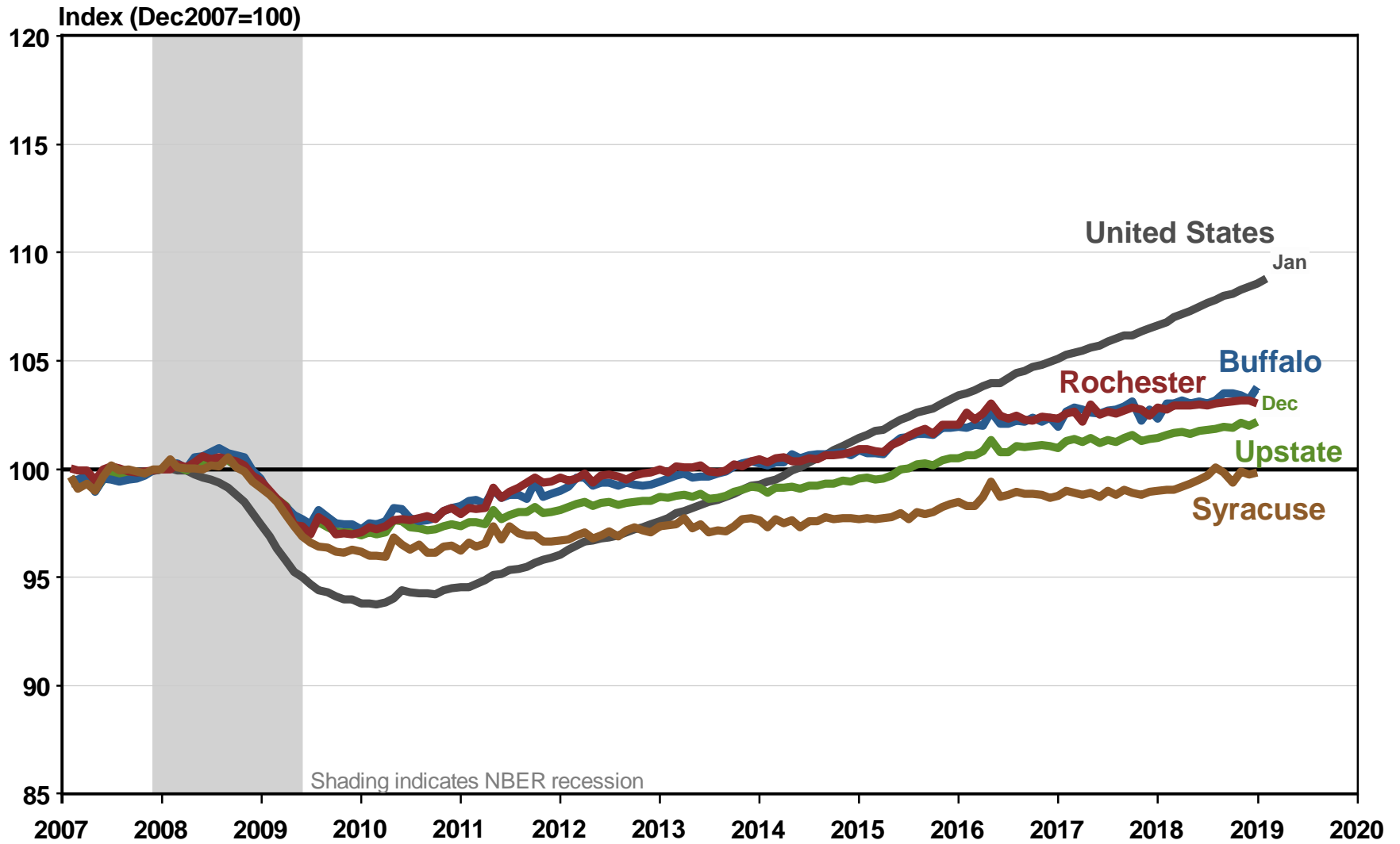
Total Employment

Seasonally Adjusted Index



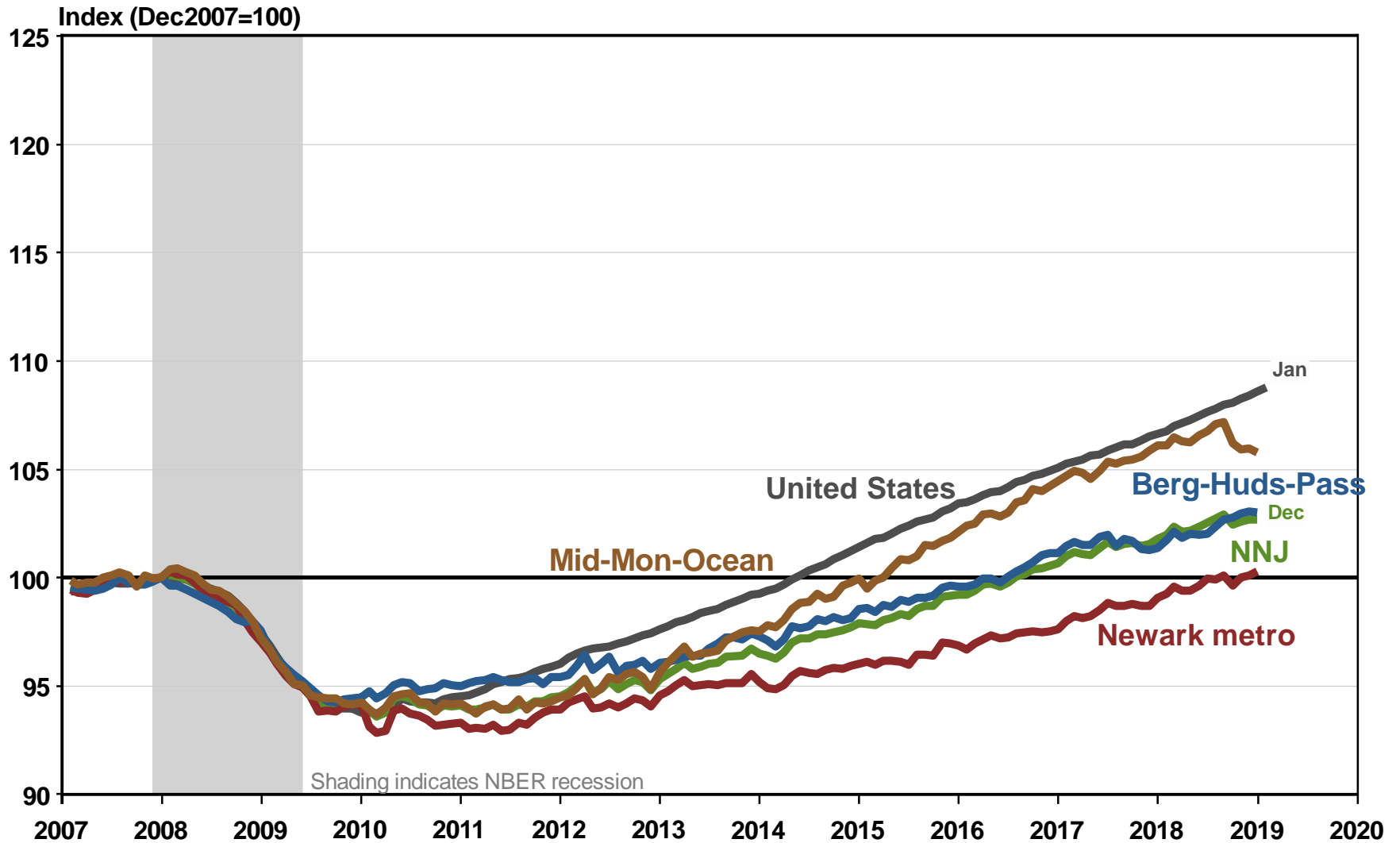
Total Employment

Seasonally Adjusted Index



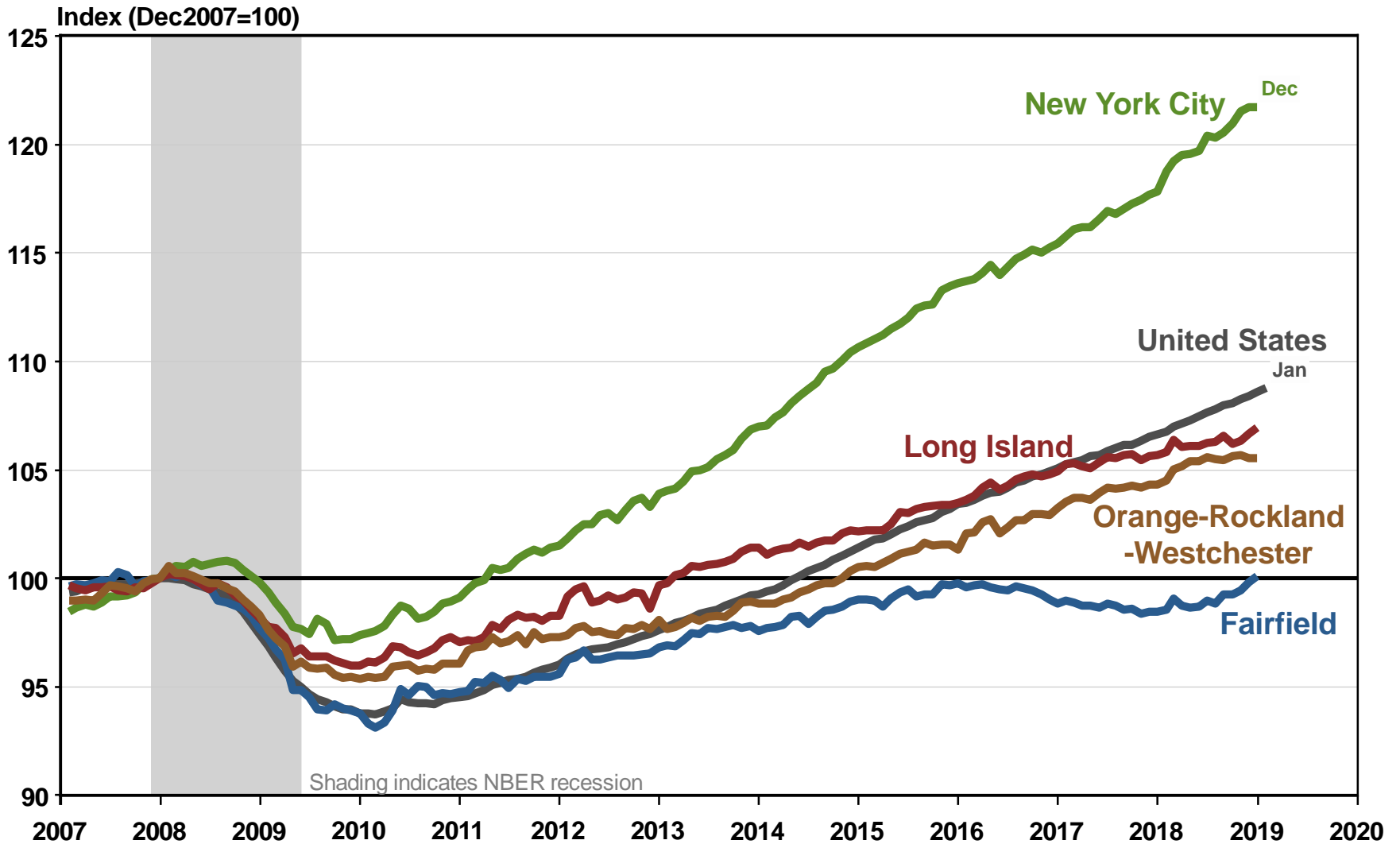
Total Employment

Seasonally Adjusted Index



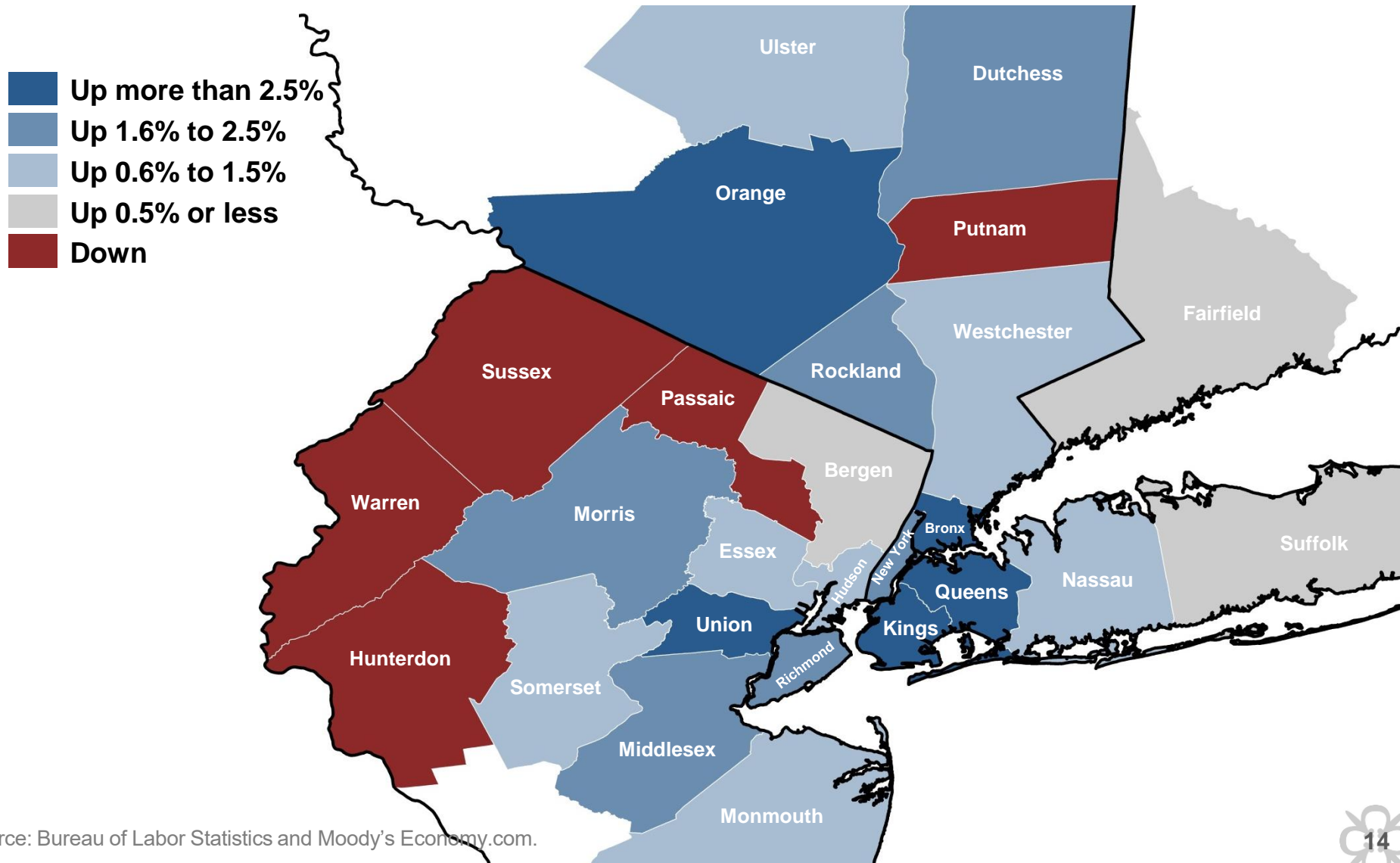
Total Employment

Seasonally Adjusted Index



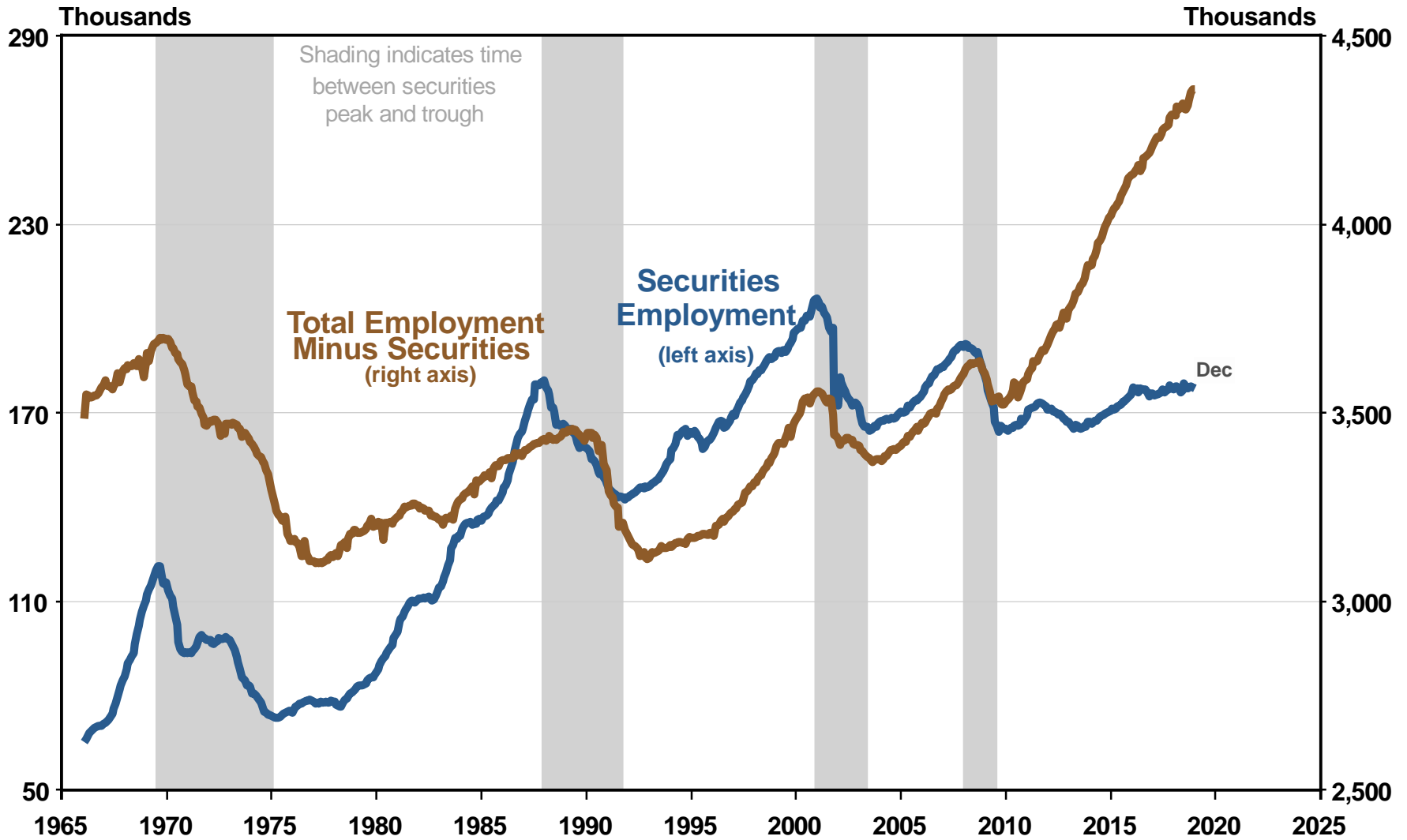
Employment Trends In and Around NYC

Private-Sector Job Growth – First Half of 2018 vs First Half of 2017



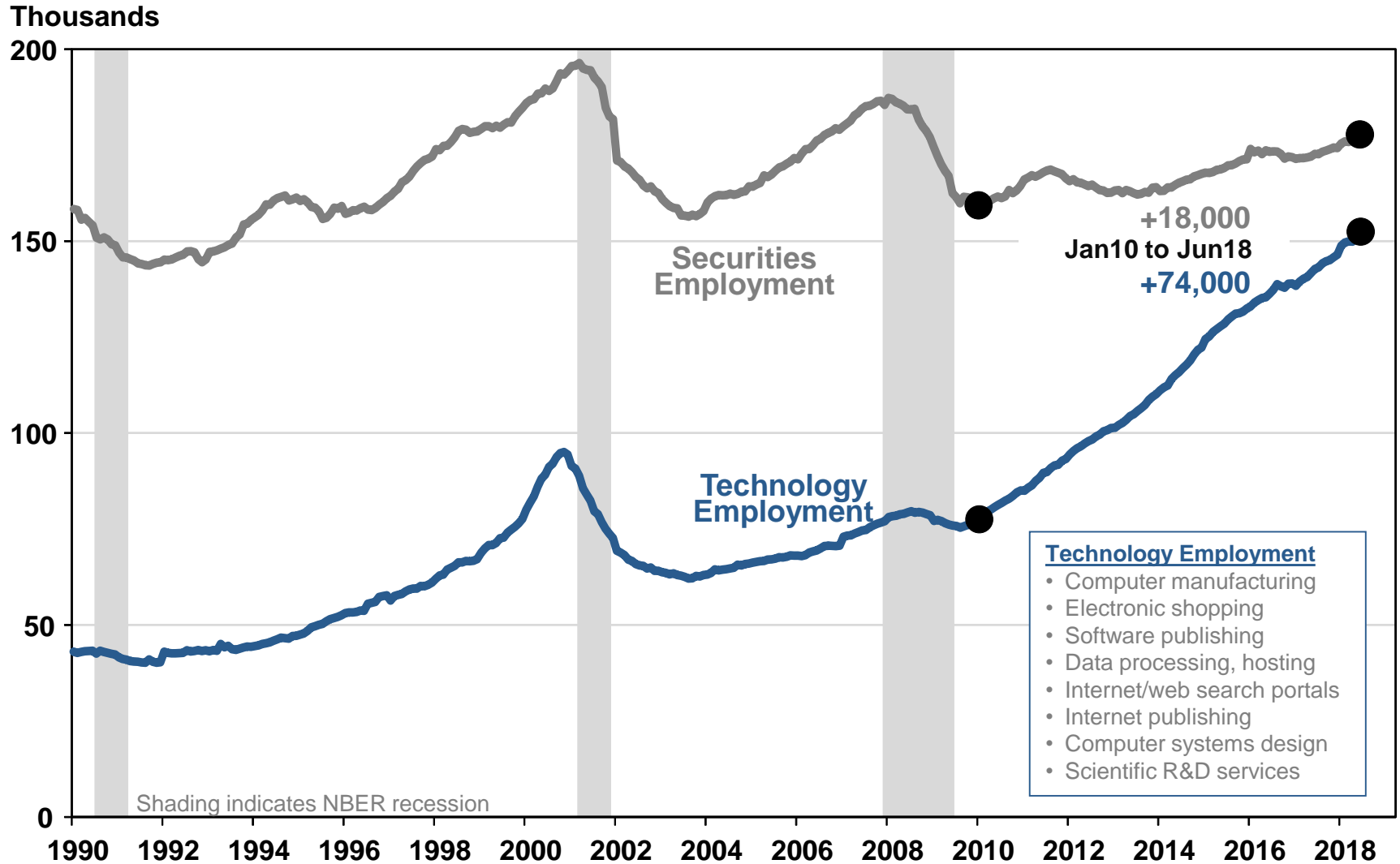
NYC Securities Employment

Seasonally Adjusted Levels



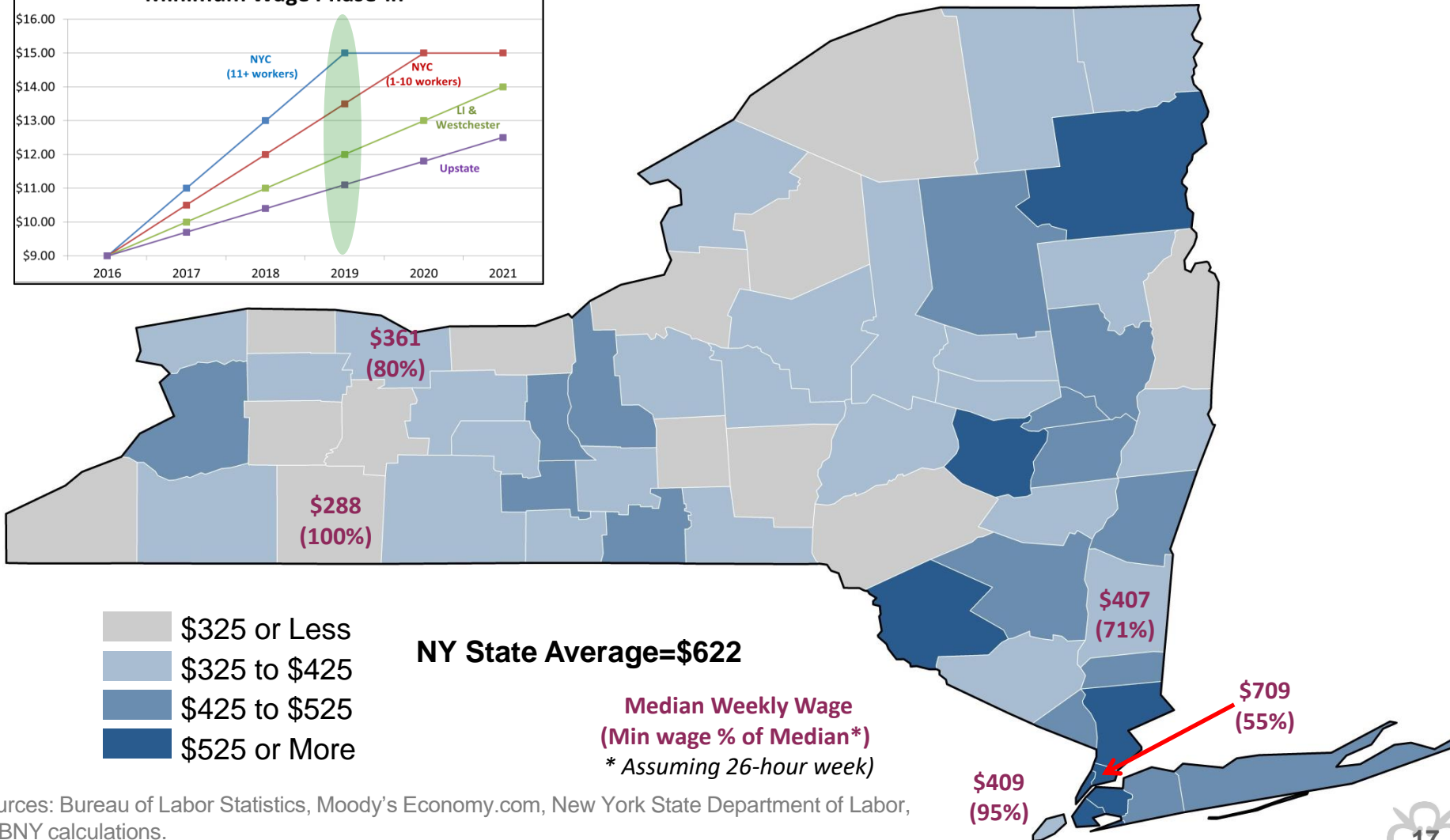
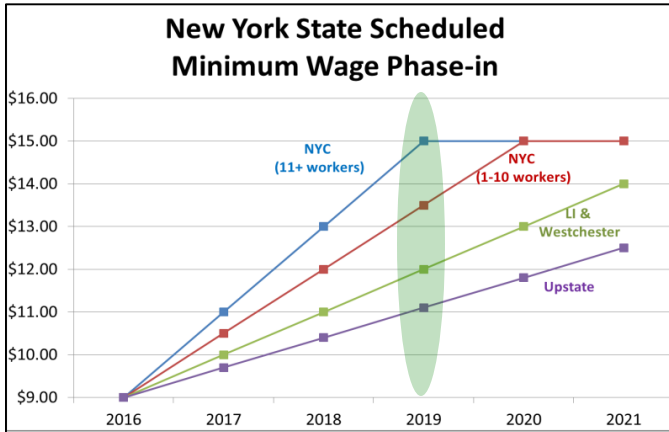
NYC Tech and Securities Employment

Thousands of Jobs



New York State Wages by County

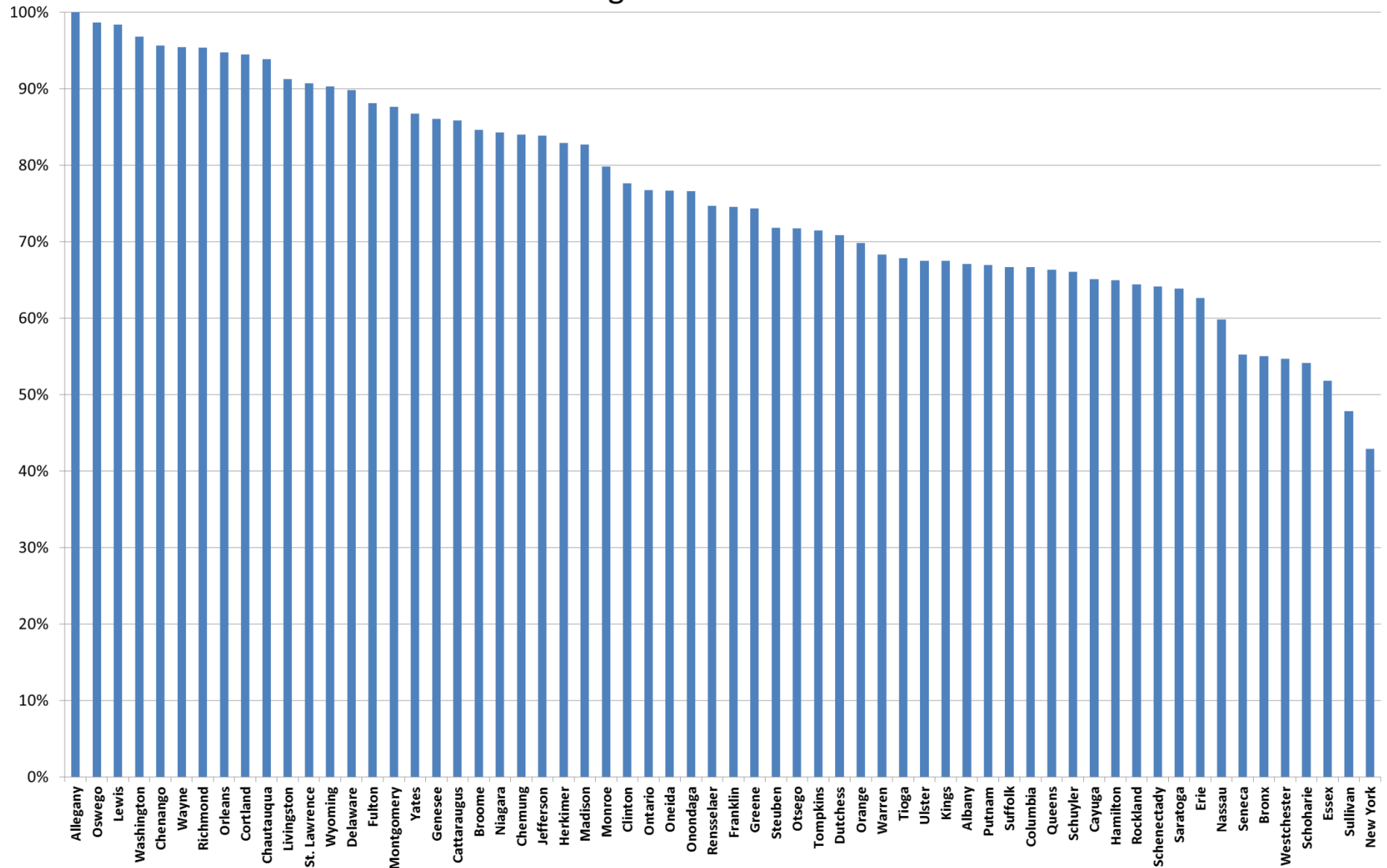
Average Weekly Wages, Leisure & Hospitality, 1st Half of 2018



Sources: Bureau of Labor Statistics, Moody's Economy.com, New York State Department of Labor, FRBNY calculations.

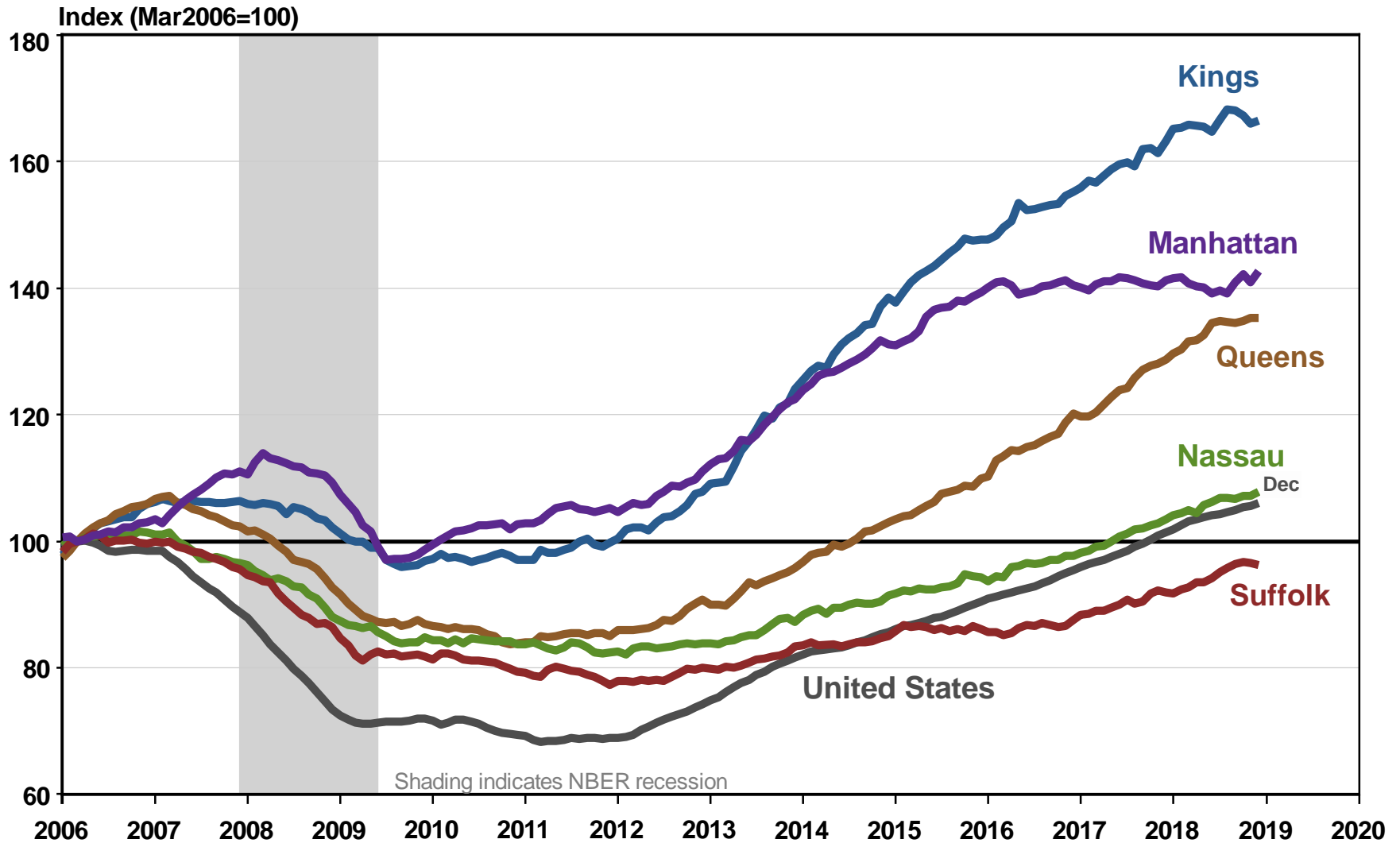
Minimum Wage as % of Median Leisure & Hosp Wage

Assuming 26-Hour workweek



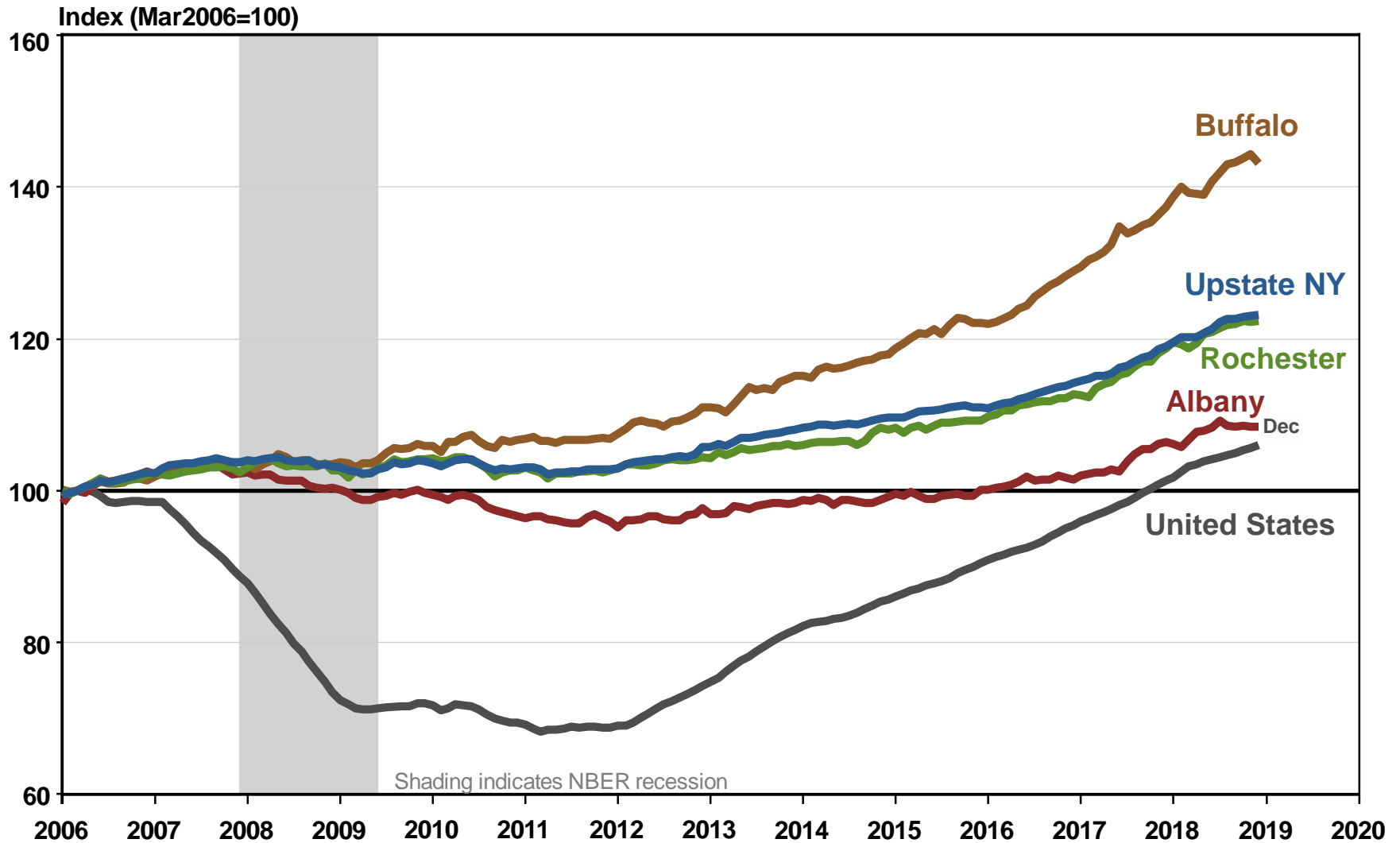
Home Prices

CoreLogic Home Price Index, Seasonally Adjusted



Home Prices

CoreLogic Home Price Index, Seasonally Adjusted

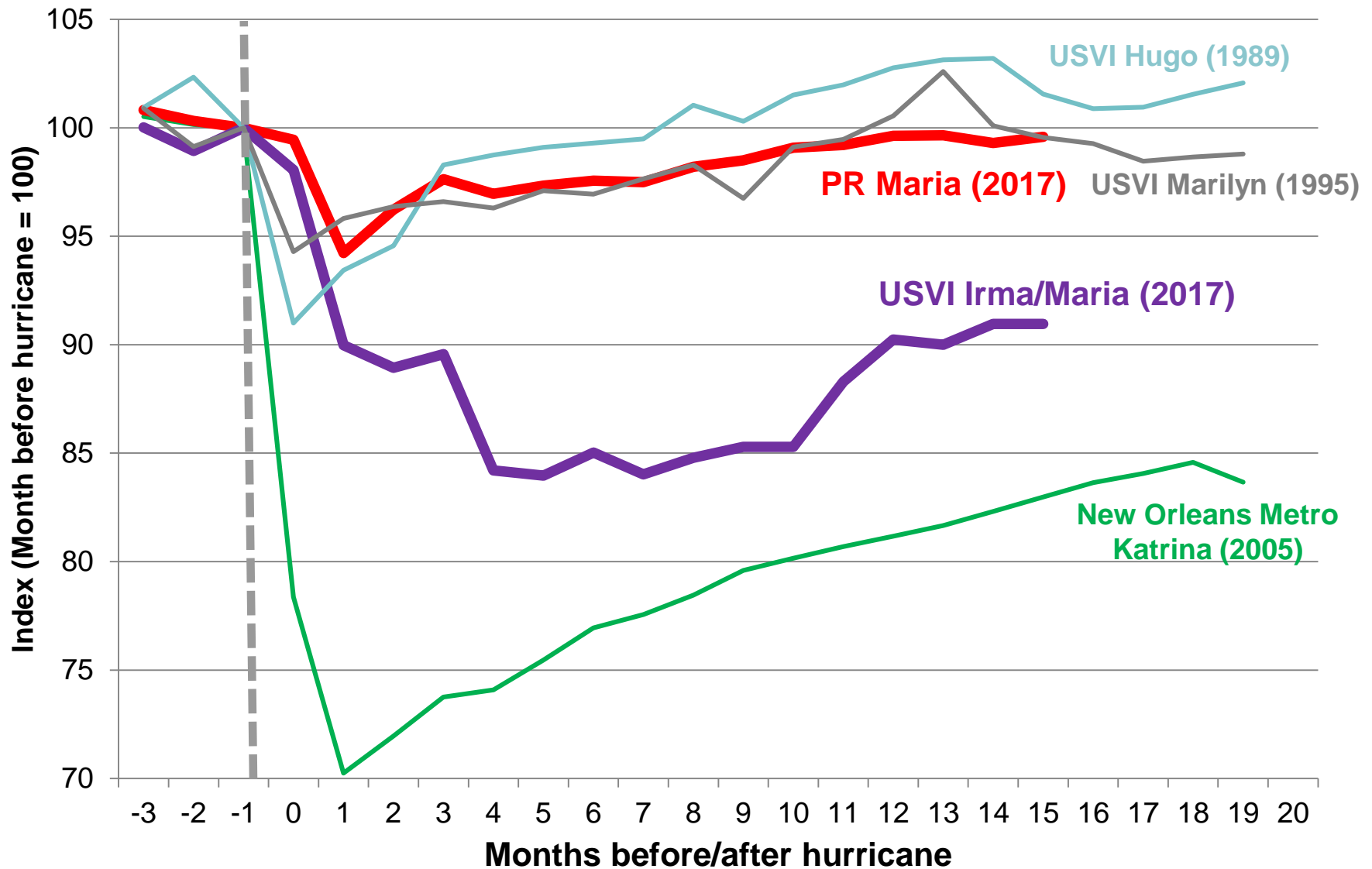


Update on Puerto Rico & US Virgin Islands

- By last September (a year after the hurricanes), Puerto Rico's economy and employment had essentially fully rebounded.
 - Follows a fairly typical pattern after major disasters.
 - Job shortfalls persist in government, leisure & hospitality, retail, health, and education.
 - In contrast, employment rose to new highs in construction and professional & business services; unemployment is near a record low.
- The US Virgin Islands saw much steeper job losses and less of a rebound.
 - Employment still down roughly 8% more than a year after Irma & Maria.
 - The key tourism sector remains depressed—leisure & hospitality employment is still down 40%, accounting for 2/3 of the net job shortfall.

Employment Paths Post-Hurricanes

Index (Month Before Hurricane = 100)



Regional Recap

- Business sentiment rebounded in February, following a slump.
- NYC continues to lead the region in job growth.
- Fairfield County and much of upstate New York have lagged.
- Even in the weakest areas, unemployment is near record lows.
- NYC's key securities industry has barely contributed to the city's boom; but brisk growth in a variety of other sectors, notably tech, has contributed to a broad-based expansion.
- Home prices appear to have leveled off across much of the District.
- Puerto Rico's economy has rebounded, while the USVI's remains depressed.