



FEDERAL RESERVE BANK *of* NEW YORK

Regional Economic Conditions

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October 7, 2020

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.

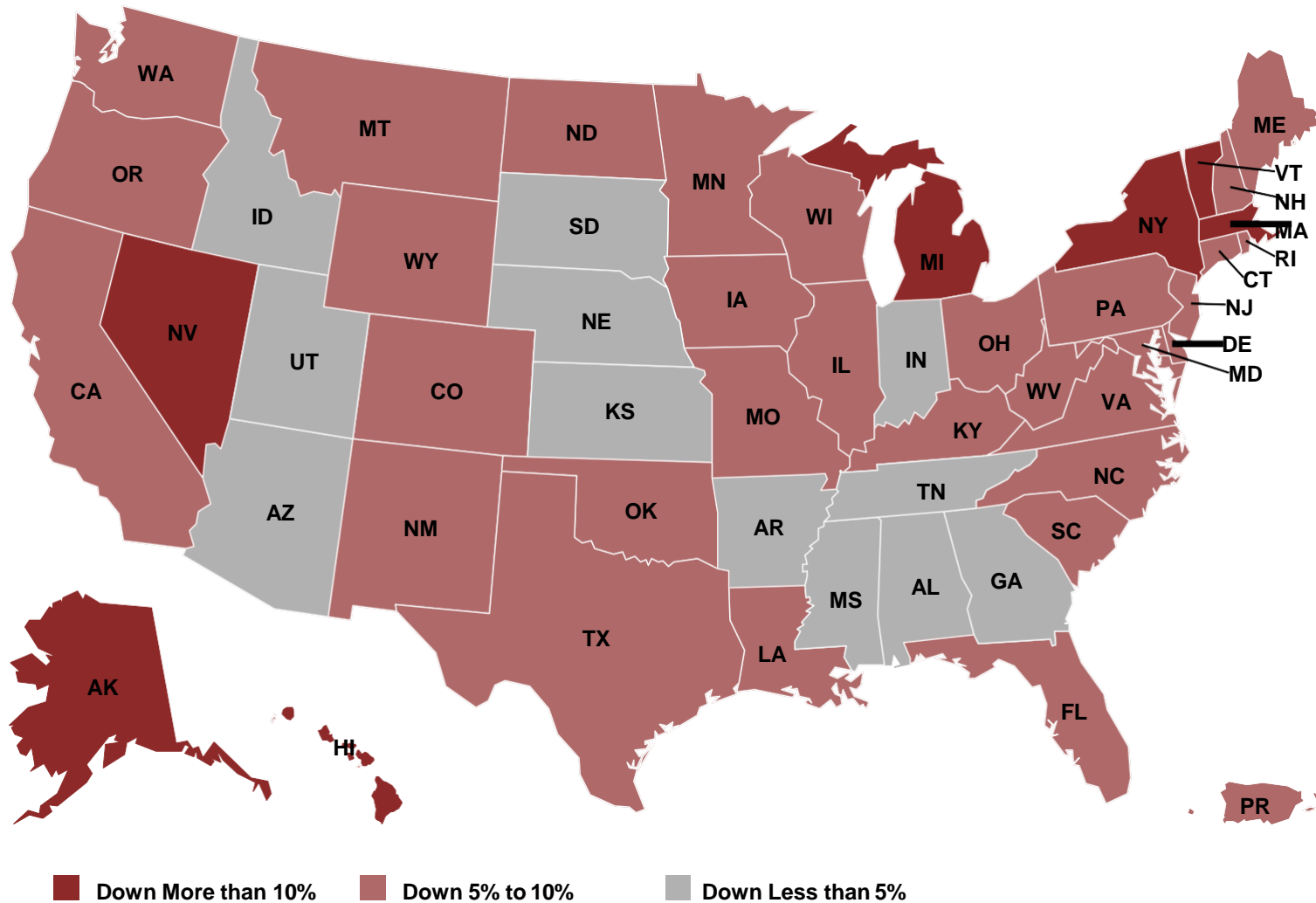
Summary

- Job losses have varied widely across the nation; New York State lags.
- The outbreak initially hit the NYC metro region much harder than the rest of the U.S., but the spread has largely subsided. Upstate New York has not seen nearly as much of an outbreak thus far.
 - Puerto Rico seemed to have the spread under control early on but has seen a flare-up more recently.
- The historically sharp economic decline across the region is evident in measures of employment, business sentiment, and consumer spending.
- The suddenness and depth of the economic decline, as well as the pattern of rebound, are much more typical of natural disasters than past recessions.
 - As is typical with disasters, leisure & hospitality has been the hardest hit sector. In contrast, construction--which typically booms after disasters, due to rebuilding—has been a laggard this time.



Recent Private-Sector Job Trends

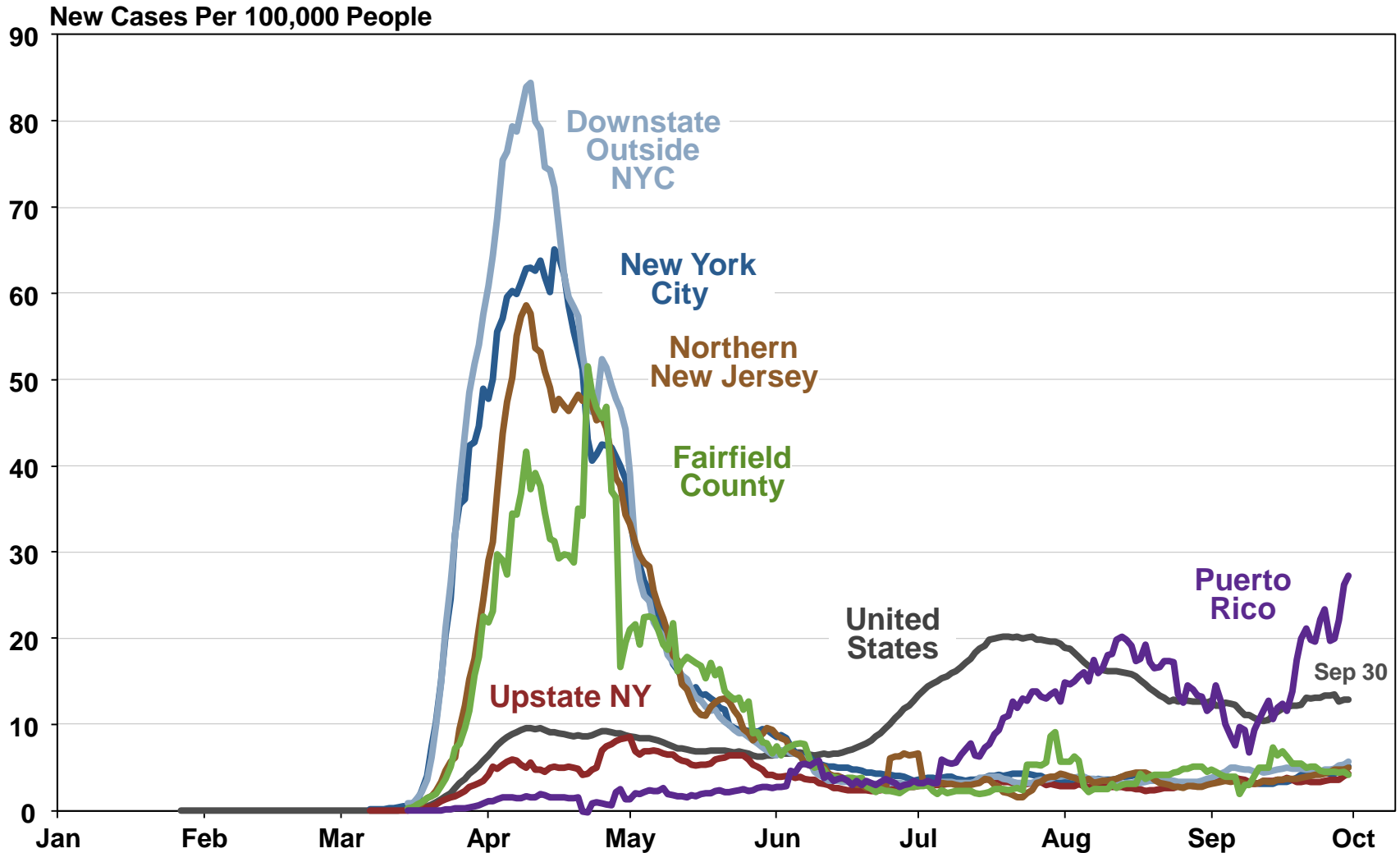
Year-Over-Year Percent Change as of August 2020



■ Down More than 10% ■ Down 5% to 10% ■ Down Less than 5%

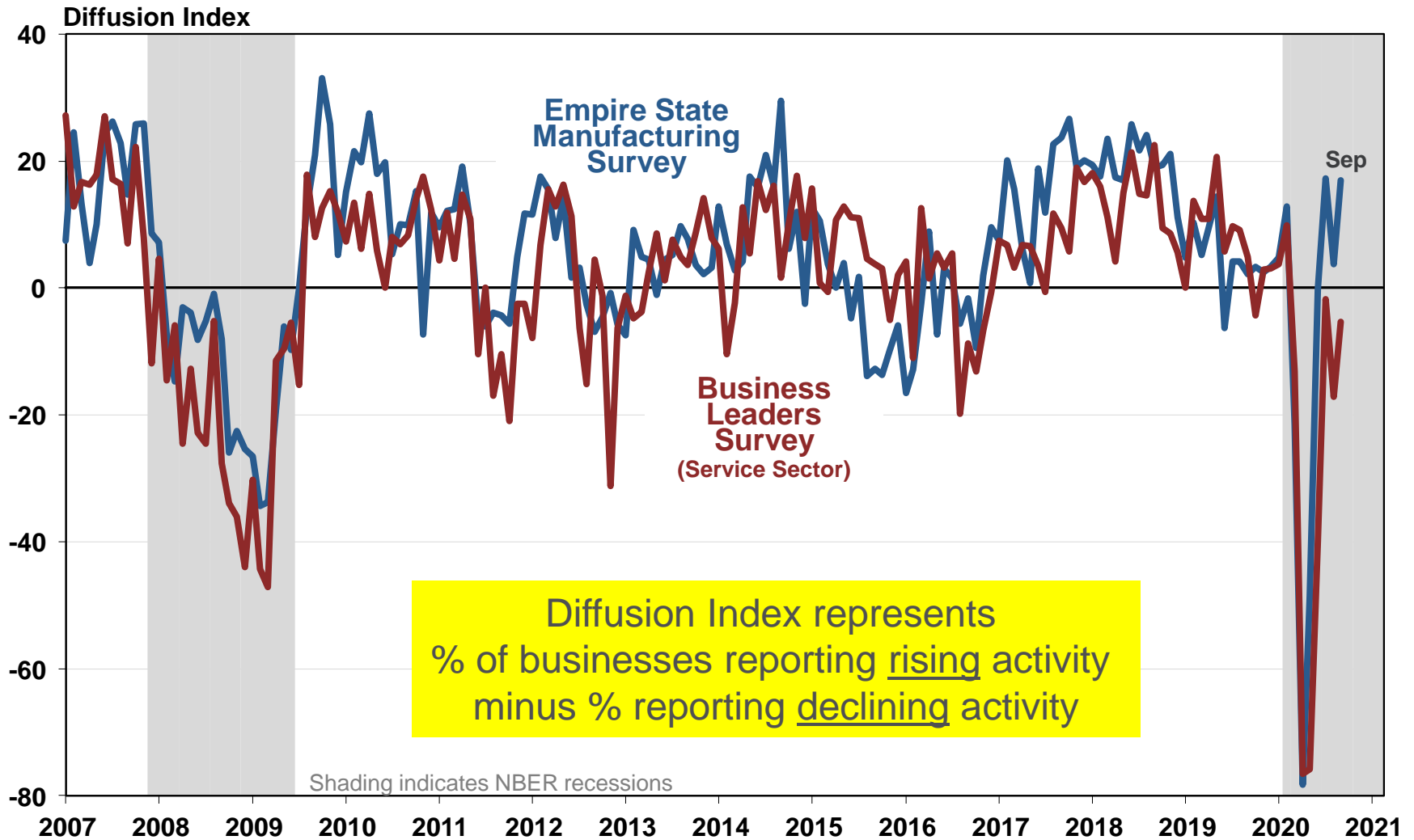
The Coronavirus Shock

Daily New Cases Per Capita, 7-Day Average



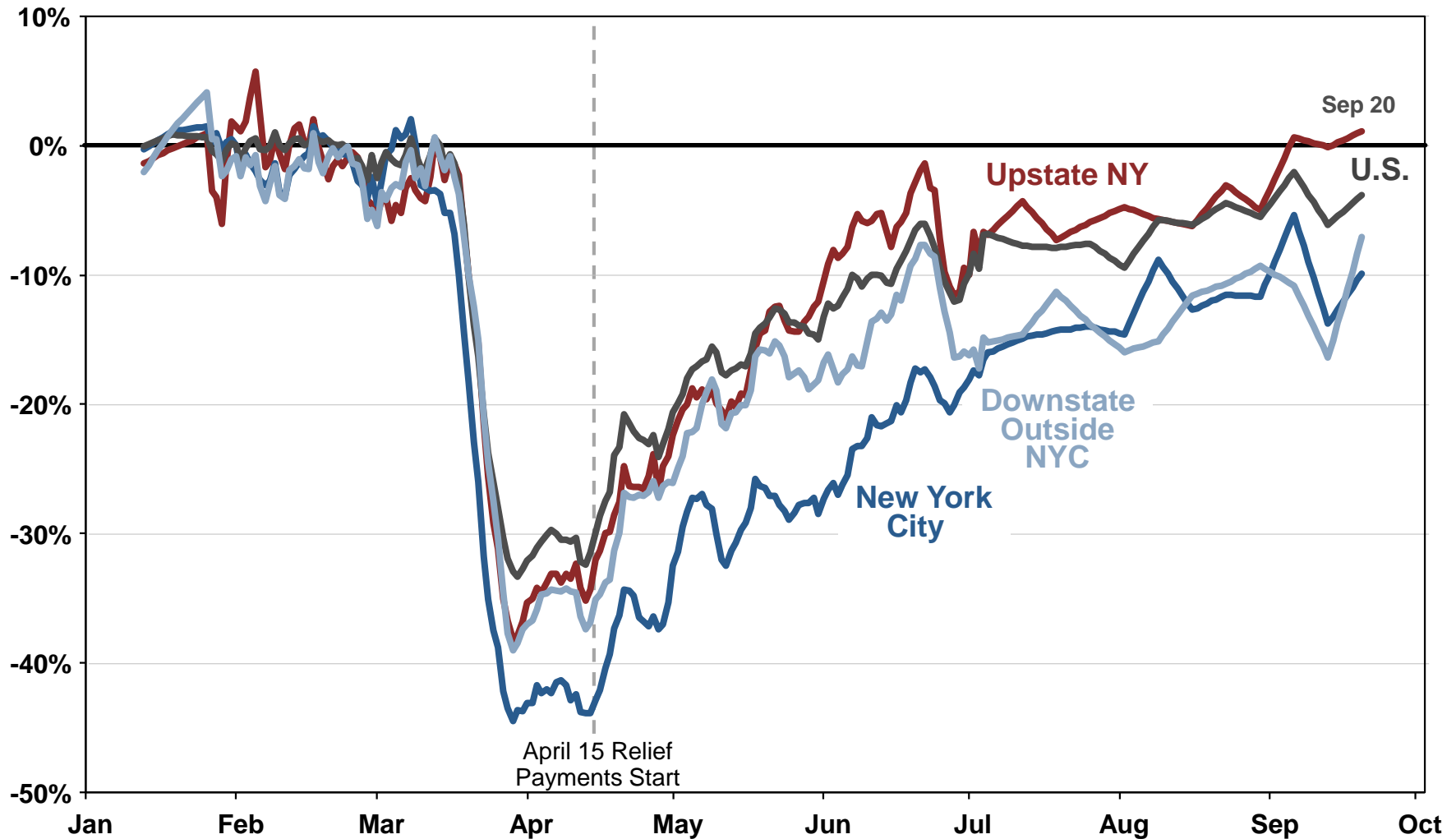
Historic Plunge in Regional Business Activity

New York Fed Regional Business Surveys, Current Conditions



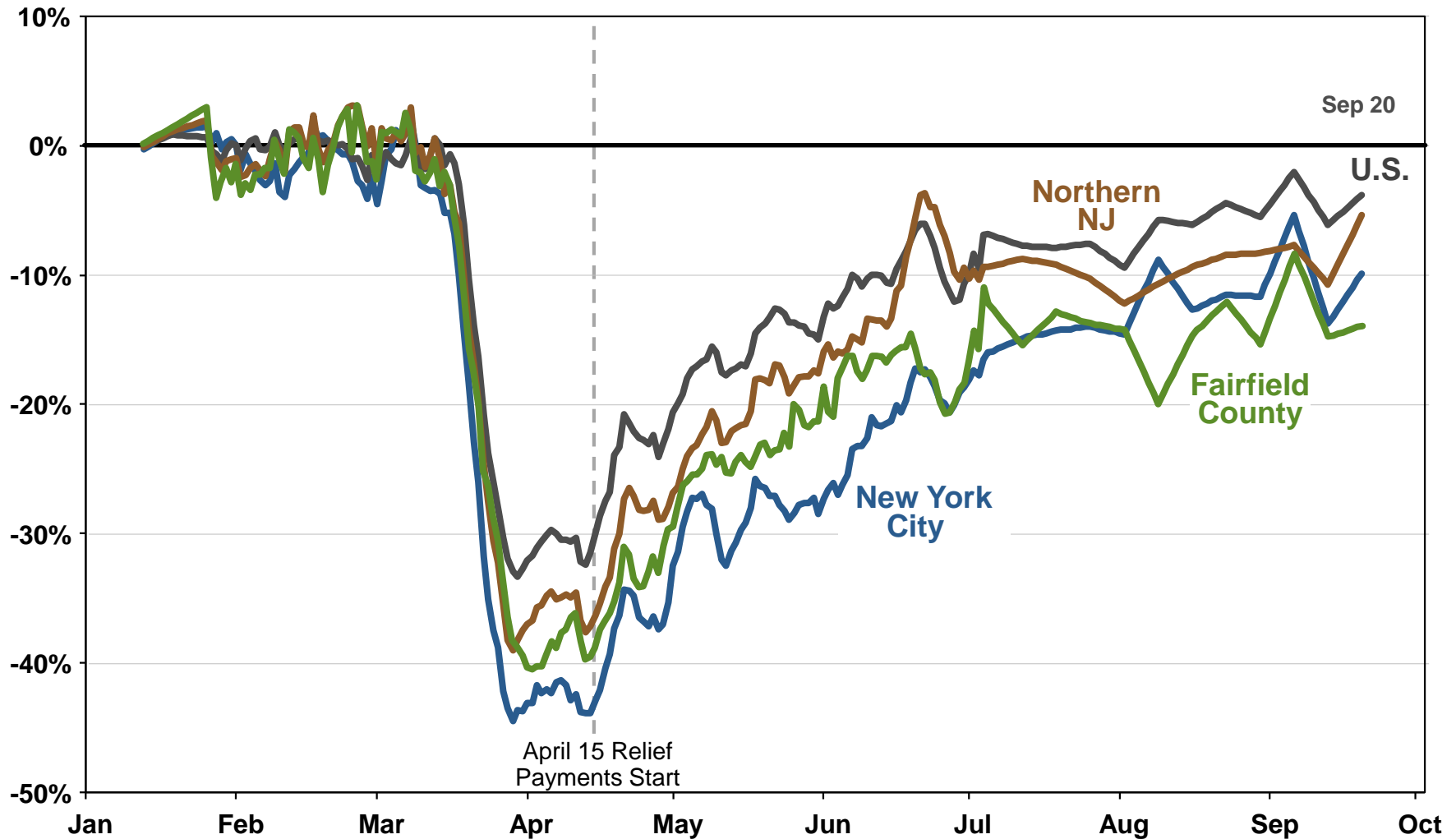
Dropoff and Rebound in Consumer Spending

Percent Change in Total Spending, Indexed to January 2020



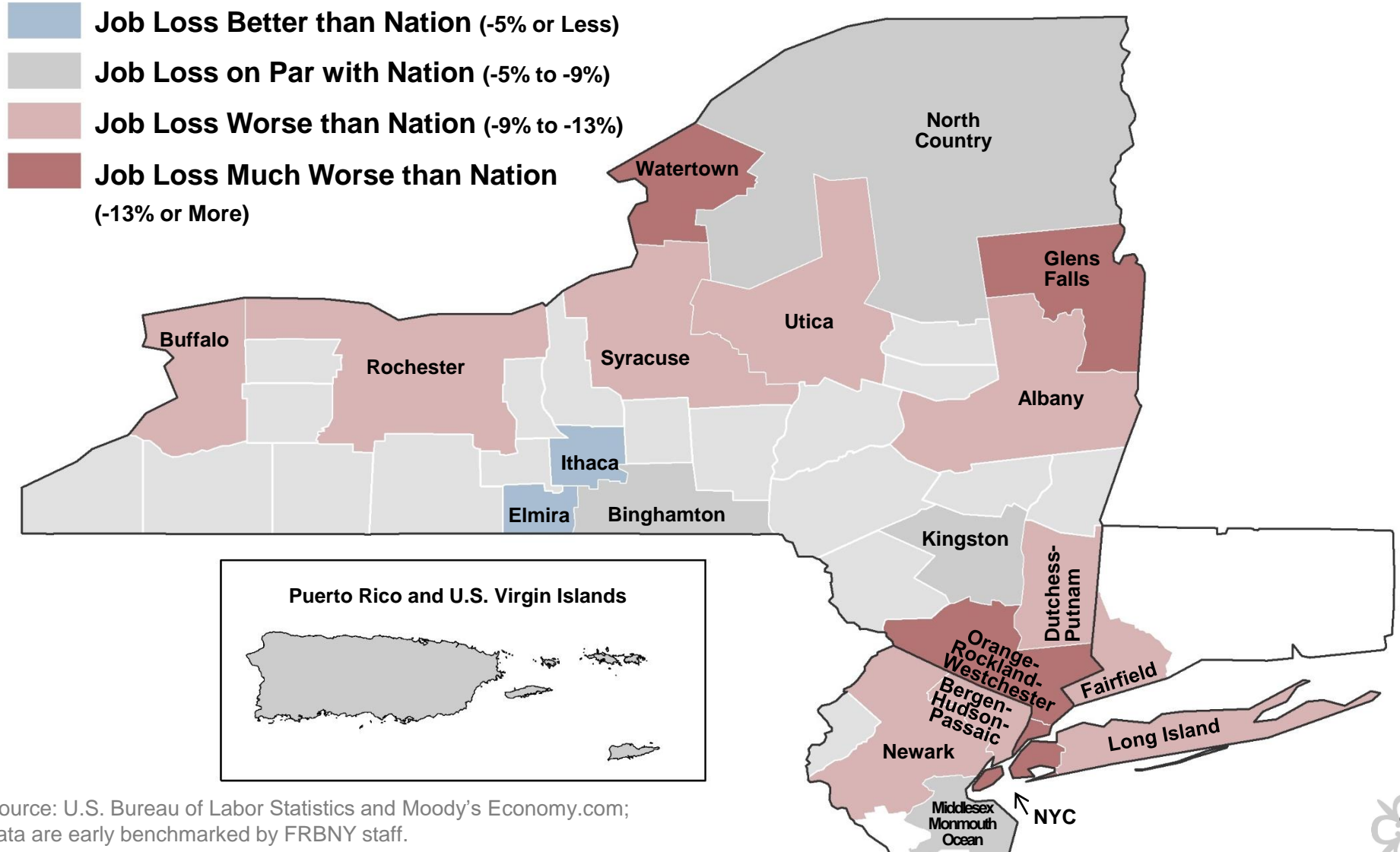
Dropoff and Rebound in Consumer Spending

Percent Change in Total Spending, Indexed to January 2020



Severe Job Loss Across the Region

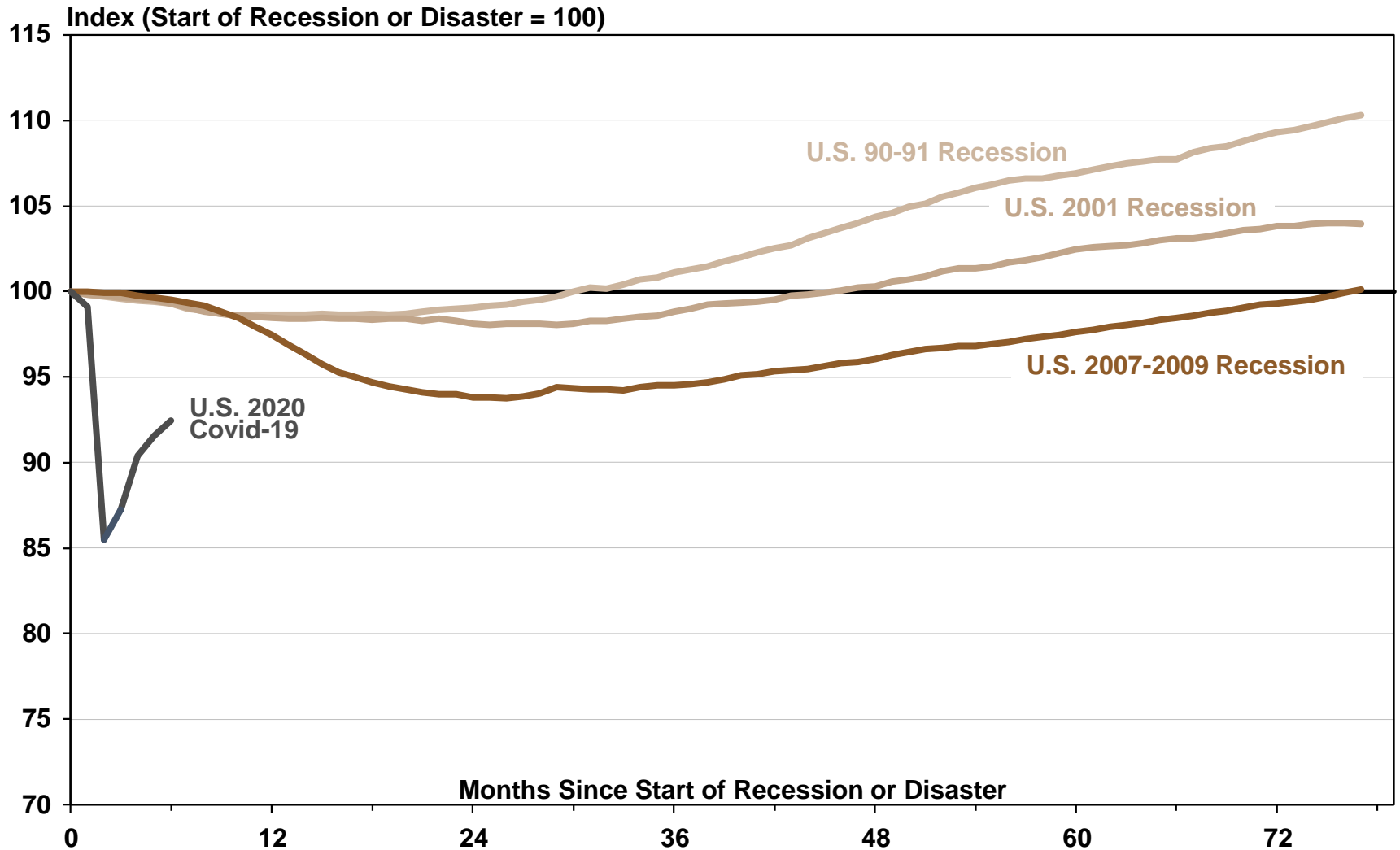
Percent Decline from Pre-Pandemic Levels, Feb-Aug 2020



Source: U.S. Bureau of Labor Statistics and Moody's Economy.com; data are early benchmarked by FRBNY staff.

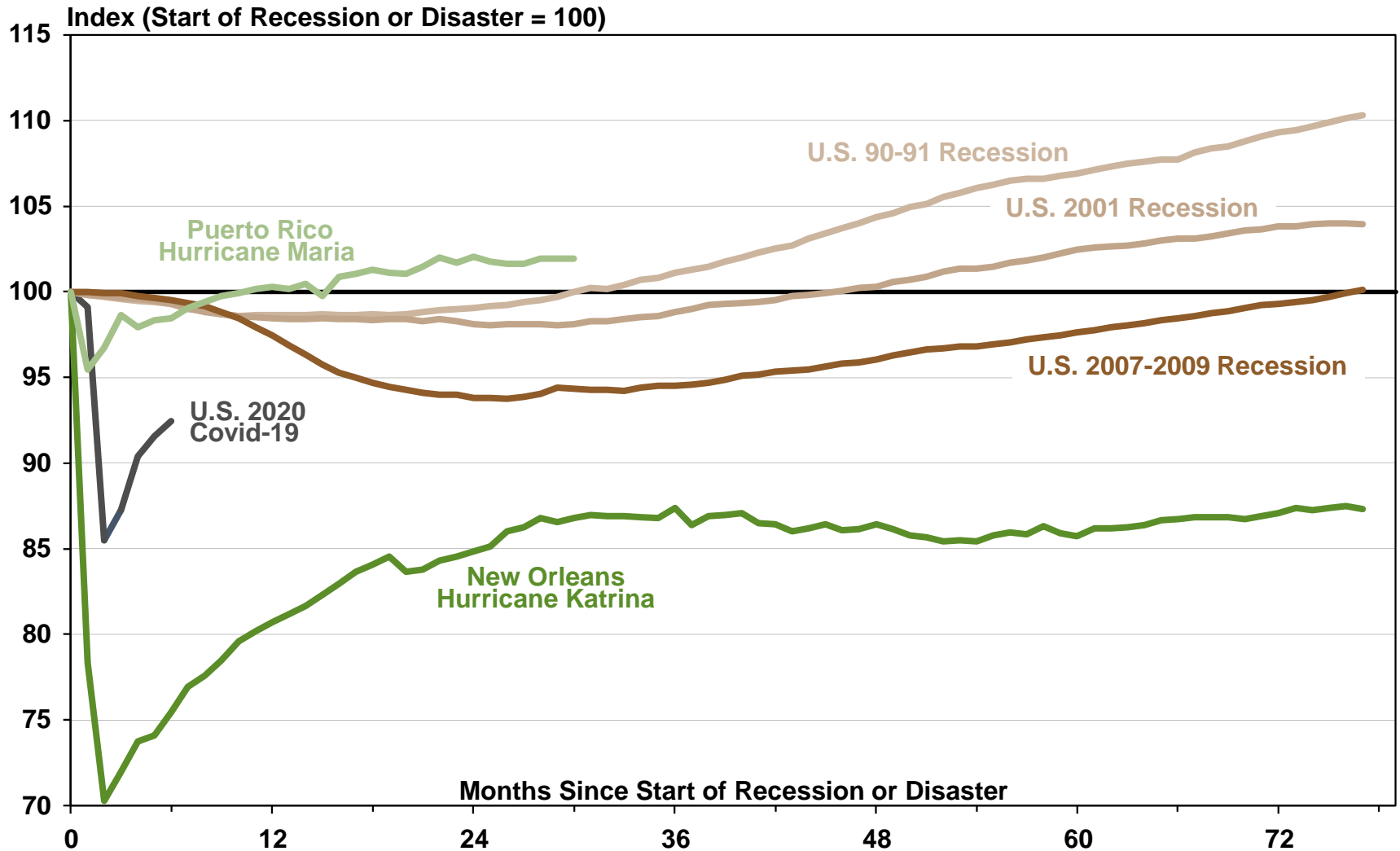
The Current vs Past Recessions

Indexes of Total Employment, Seasonally Adjusted



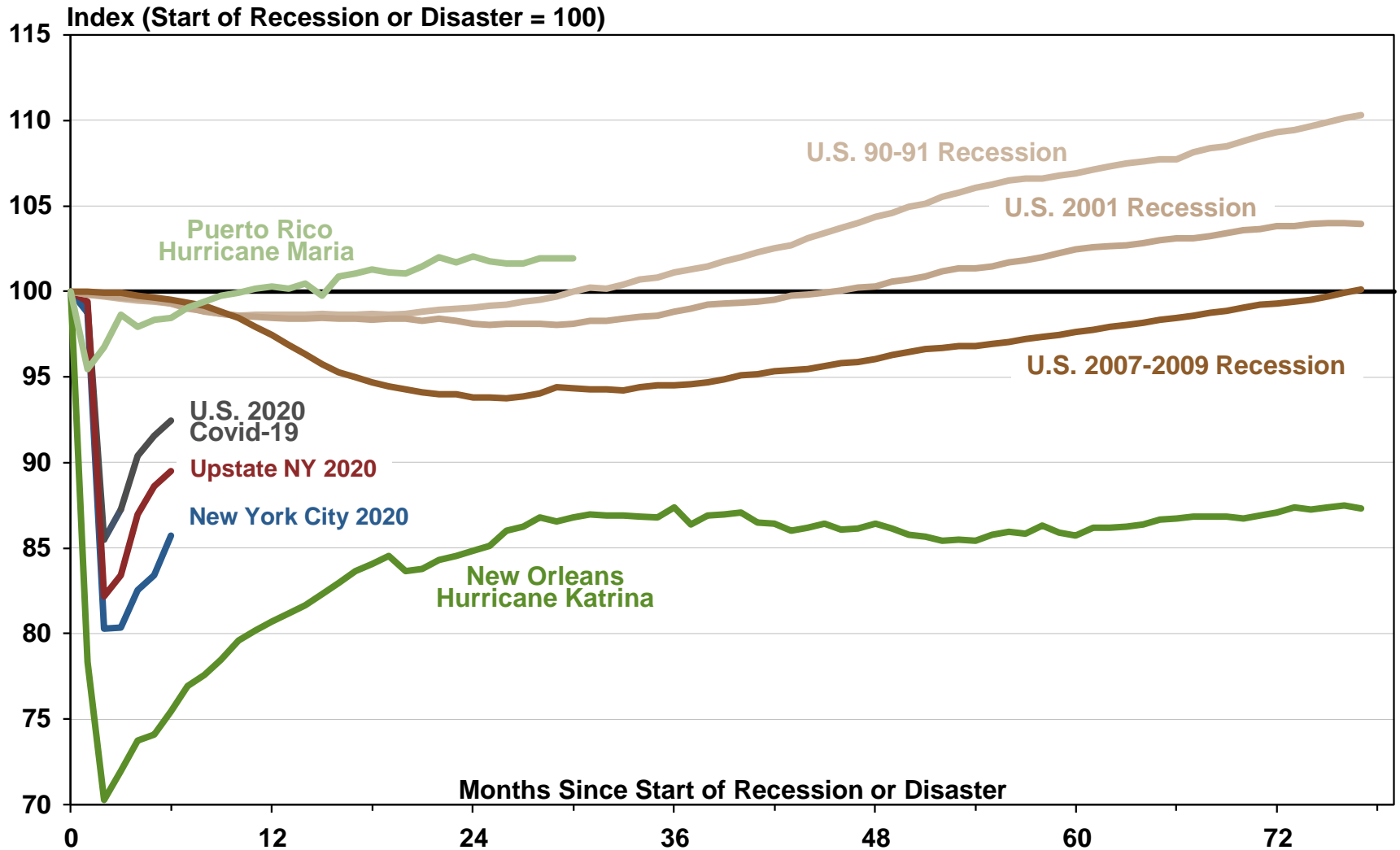
The Pandemic Resembles a Natural Disaster

Indexes of Total Employment, Seasonally Adjusted



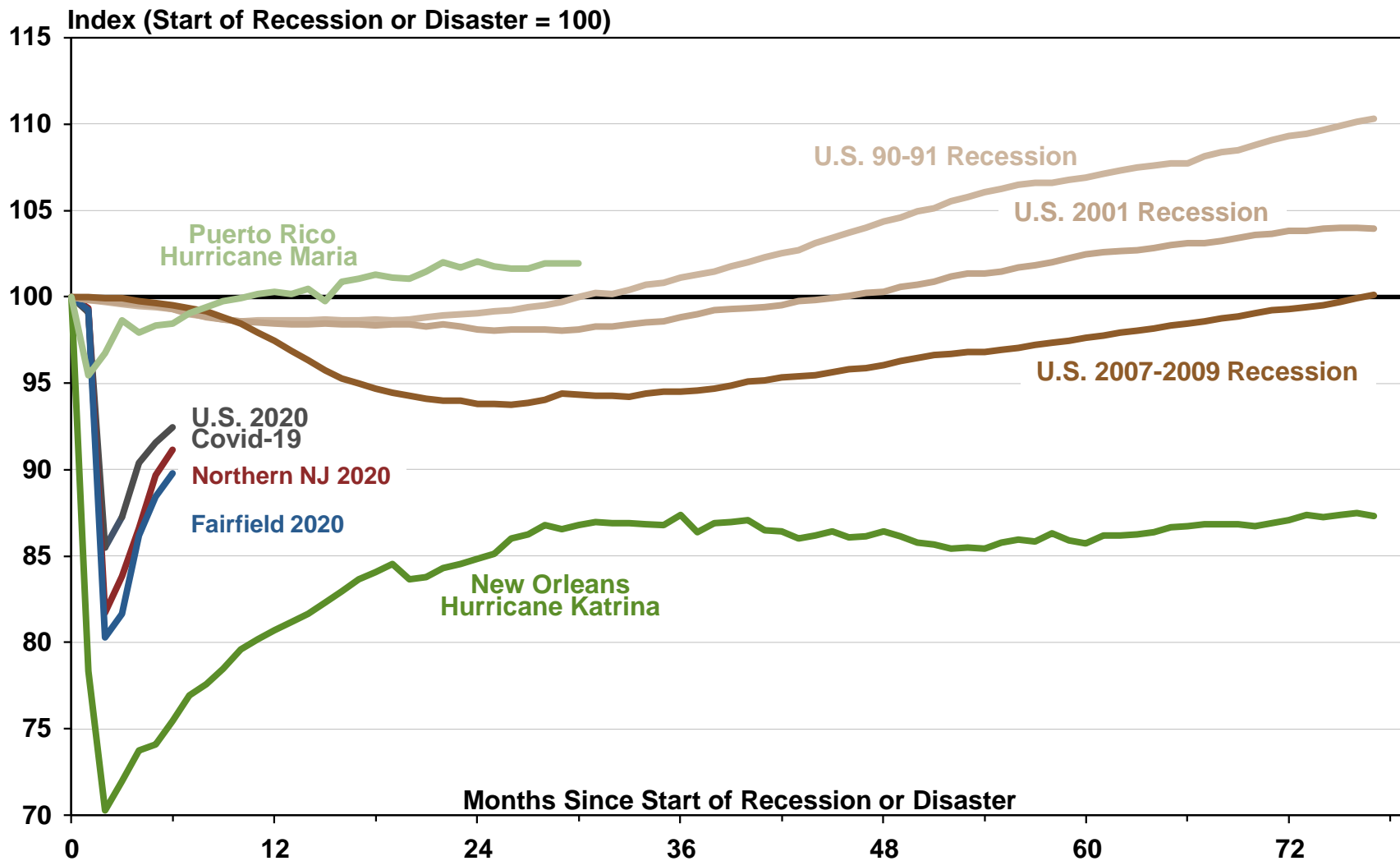
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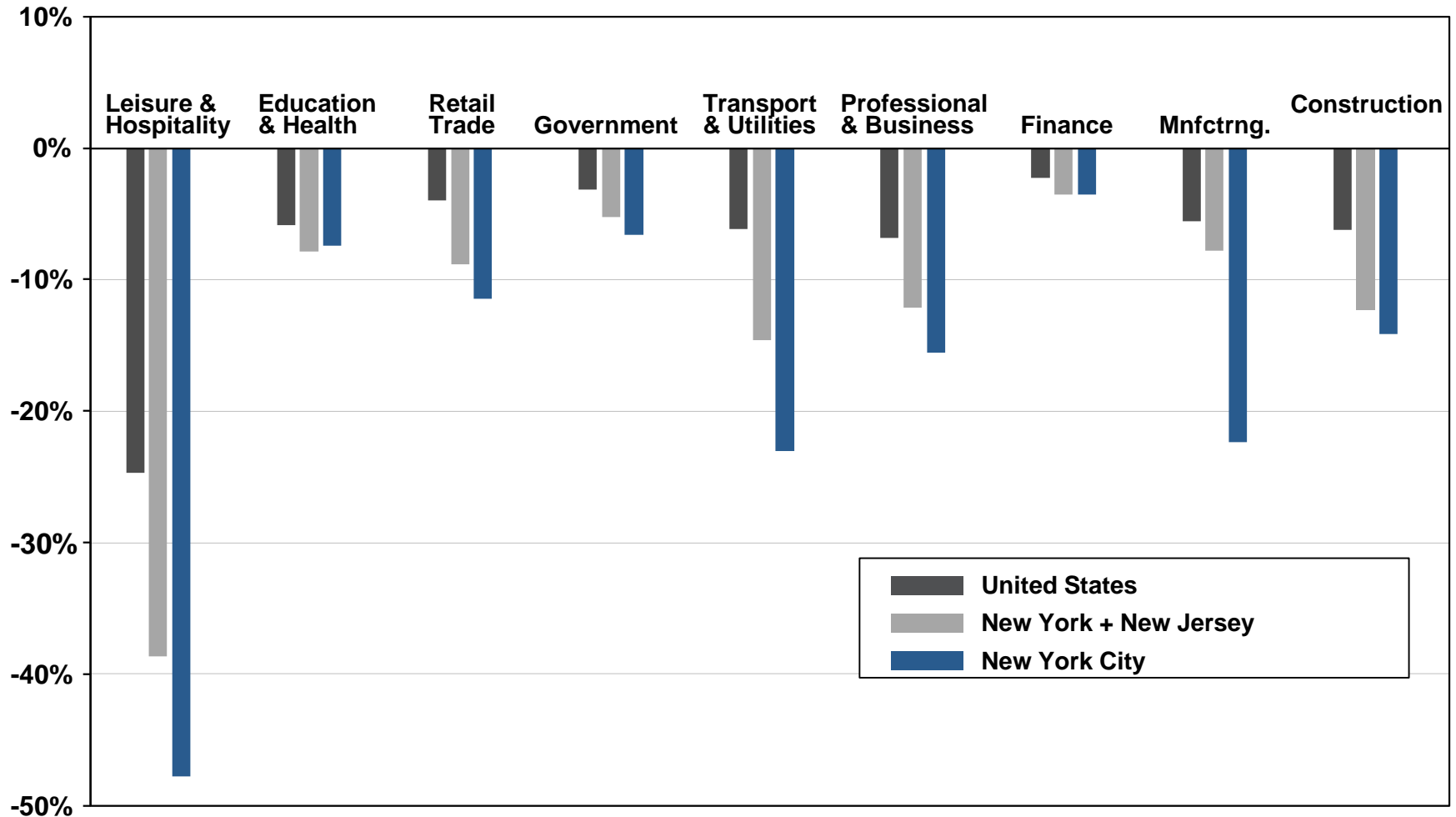
The Pandemic Resembles a Natural Disaster

Indexes of Total Employment, Seasonally Adjusted



Job Losses by Sector

Change in Employment by Sector (February to August)



Job Losses by Sector

Change in Employment by Sector (February to August)

