



FEDERAL RESERVE BANK *of* NEW YORK

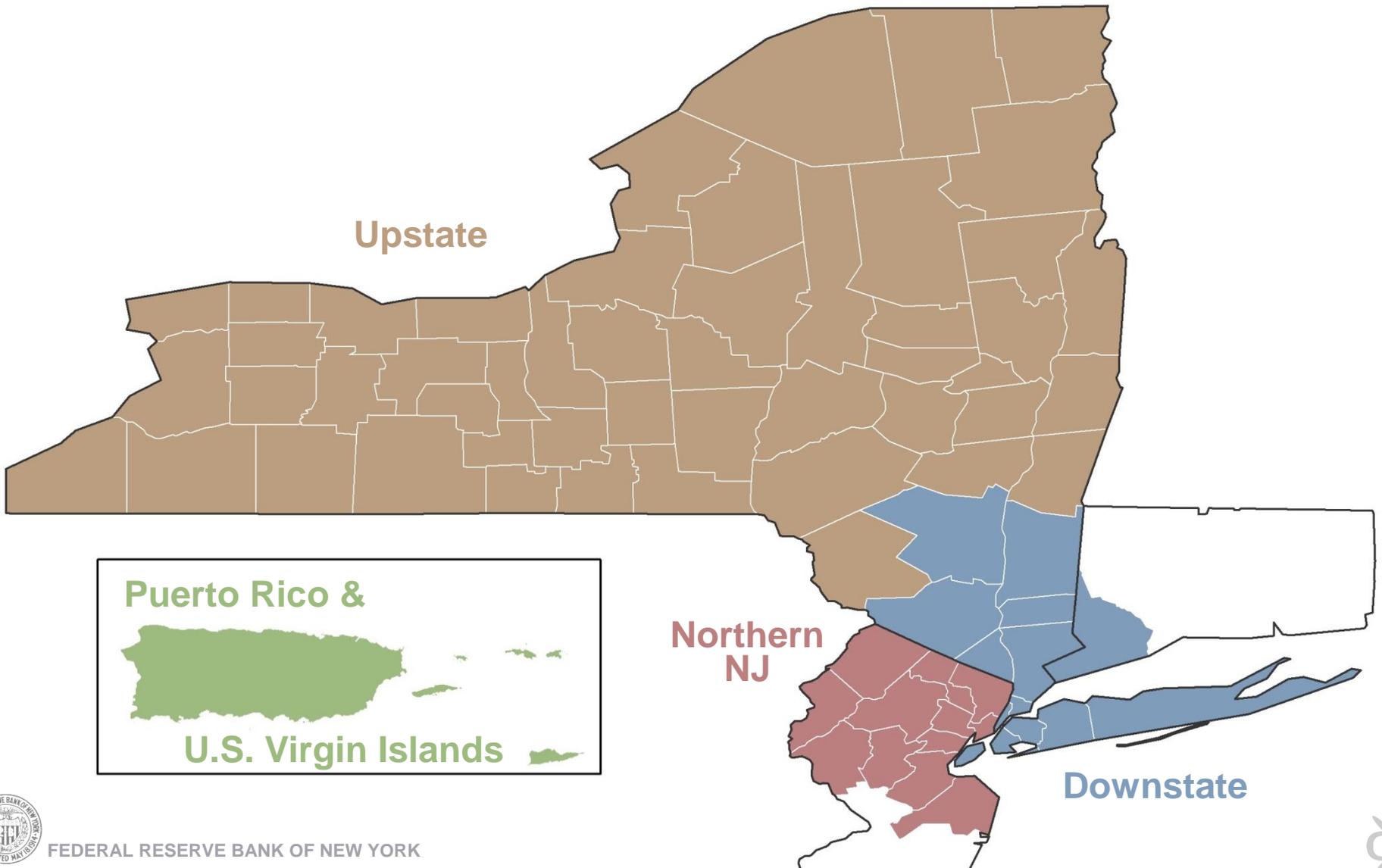
Economic Conditions in the 2nd District

Economic Press Briefing: August 26, 2015

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.

The 2nd Federal Reserve District

Regions in the District



Overview of Regional Conditions

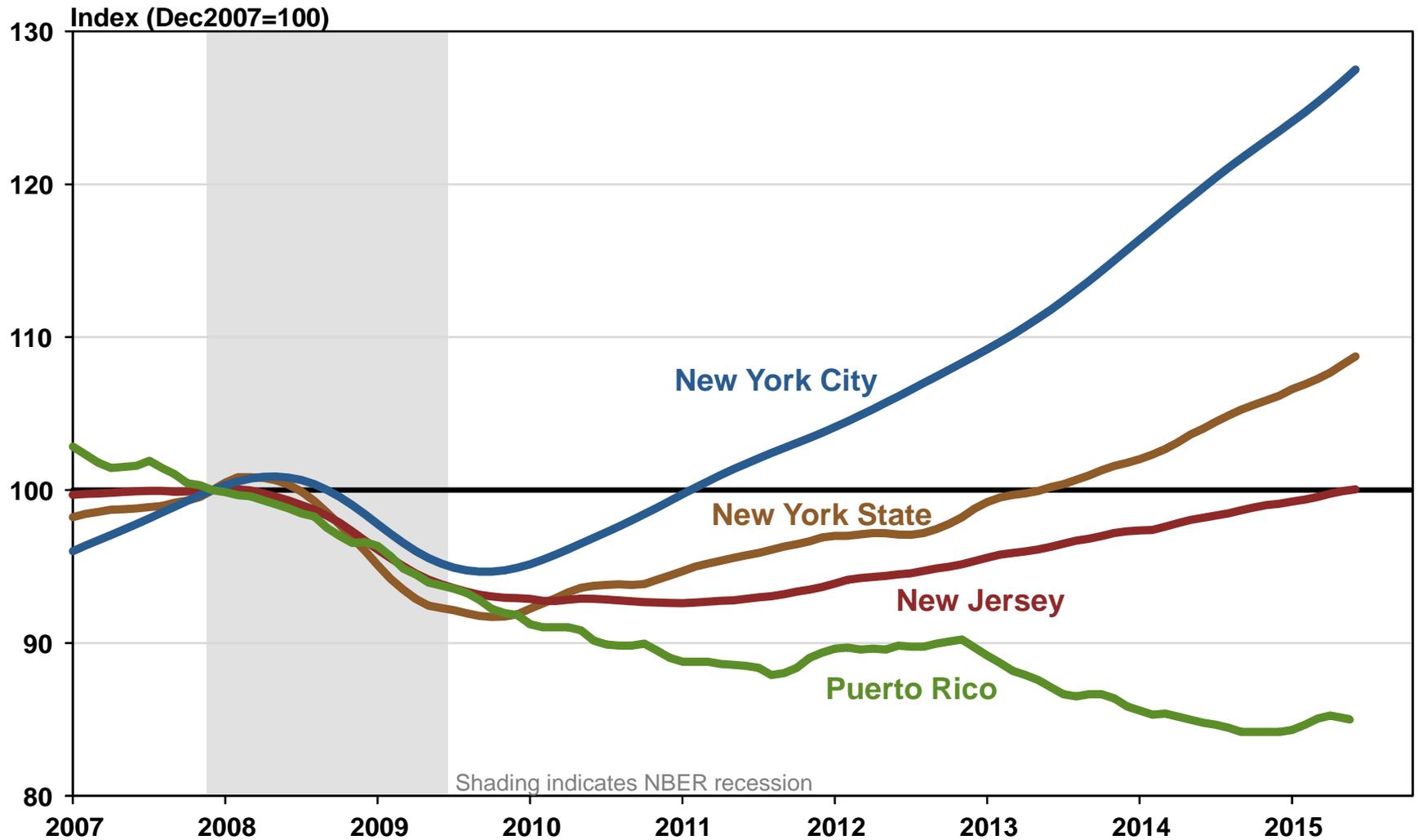
Some parts of the District are performing remarkably well, while other places are struggling with little or no growth

- New York City's expansion is its strongest in recent history, with little help from Wall Street.
- Buffalo and Albany are seeing solid growth, with construction and manufacturing boosting employment for the first time in decades.
- Northern New Jersey is growing modestly, but is being weighed down by weak business services and finance sectors.
- Syracuse and Binghamton continue to struggle with little or no growth, and are feeling the sting of ongoing manufacturing job cuts.
- The economies of Puerto Rico and the U.S. Virgin Islands remain depressed.



Regional Economic Activity

Index of Coincident Economic Indicators (CEI)

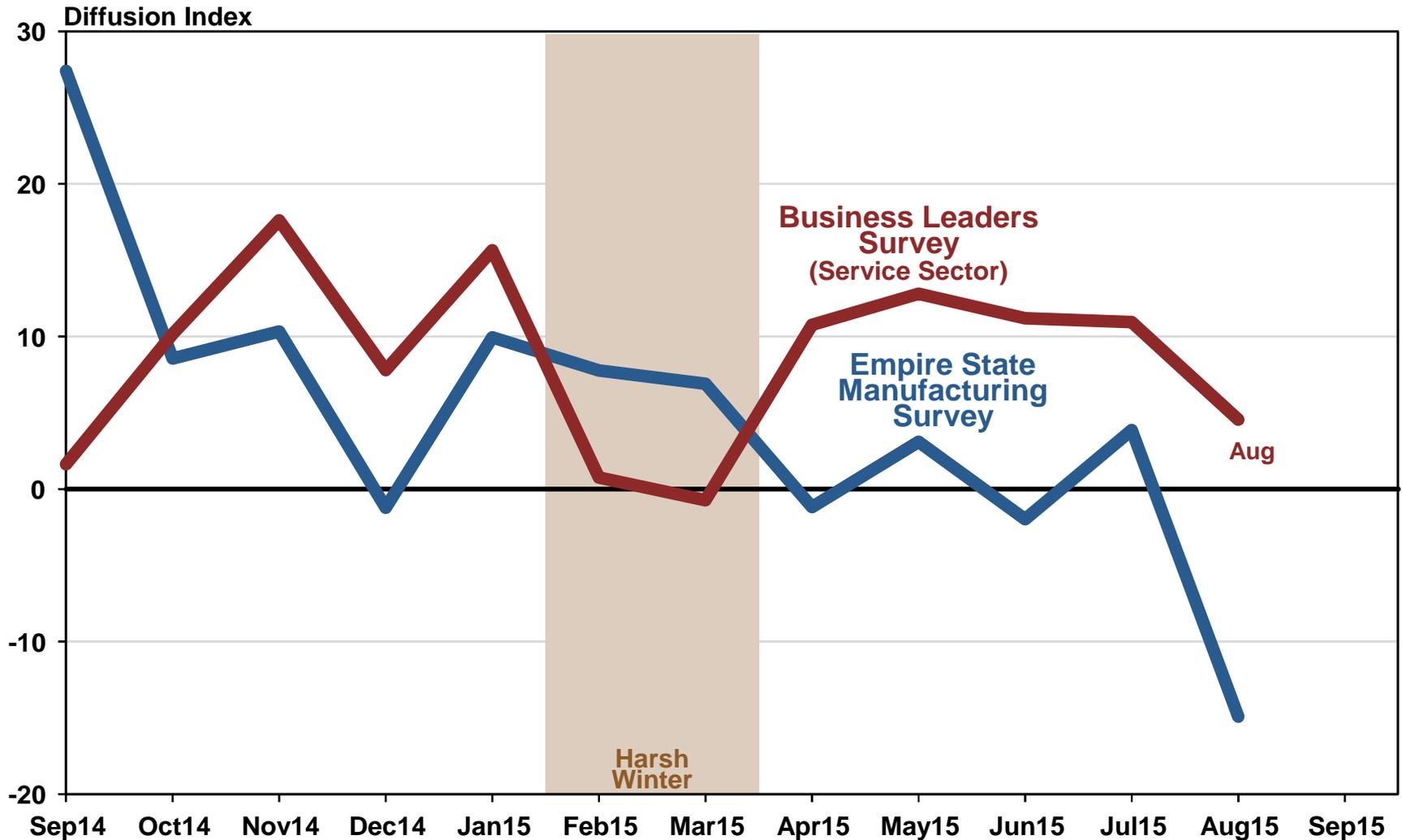


Source: Federal Reserve Bank of New York; Government Development Bank for Puerto Rico.

Note: The Puerto Rico composite index is based on a different methodology than the indexes produced by the FRBNY.

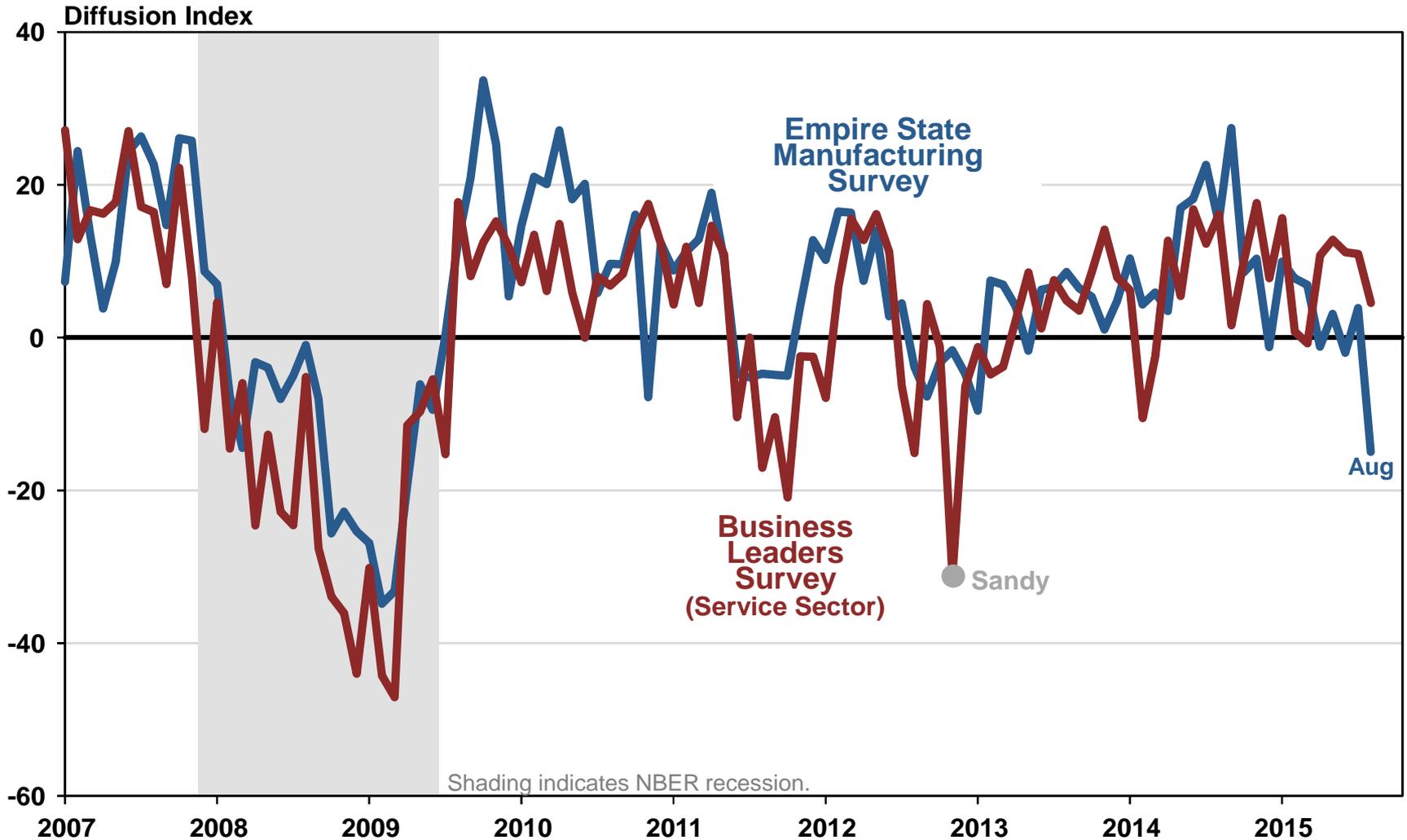
FRBNY Regional Business Surveys

Indexes of Current Economic Conditions



FRBNY Regional Business Surveys

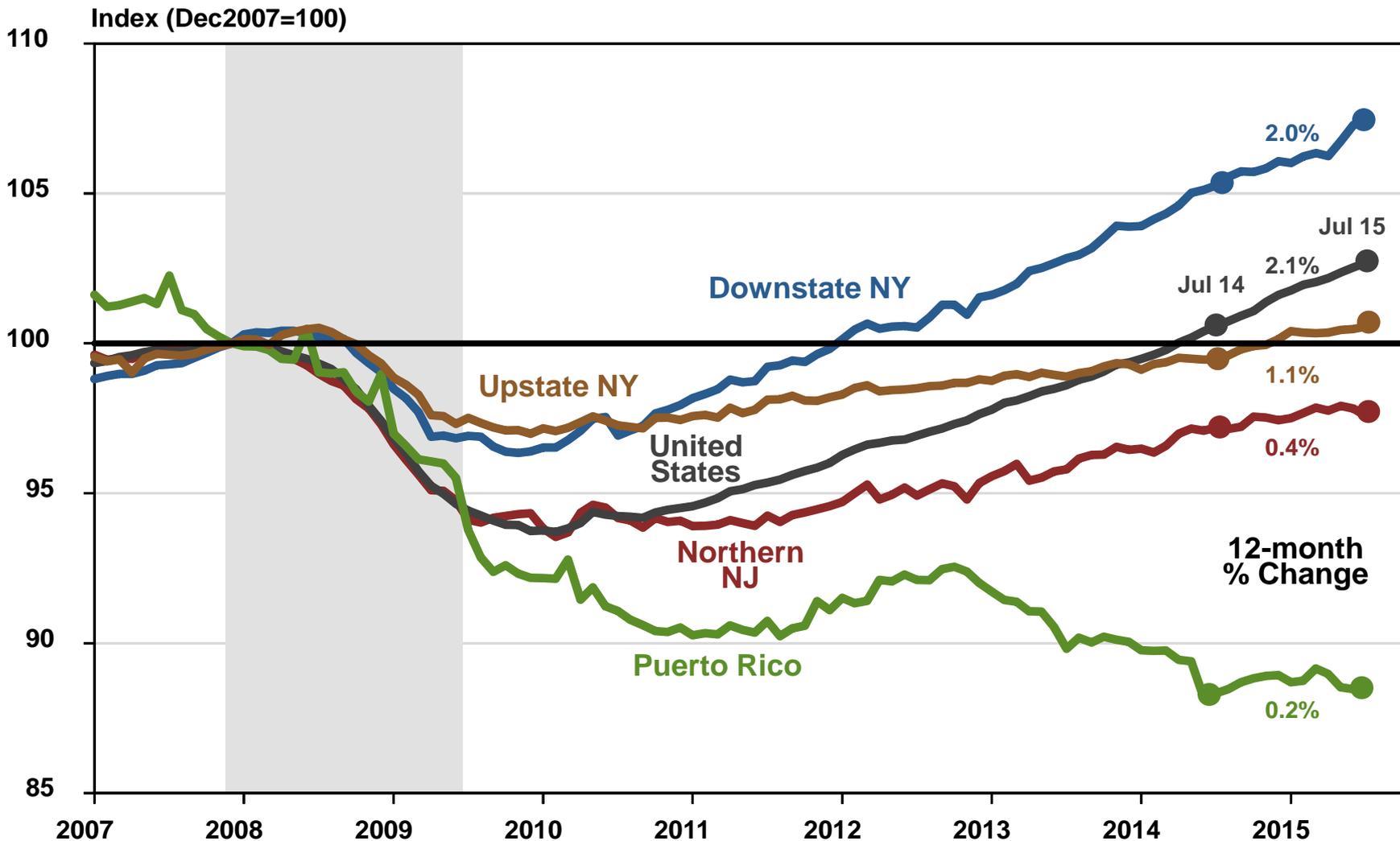
Indexes of Current Economic Conditions



Shading indicates NBER recession.

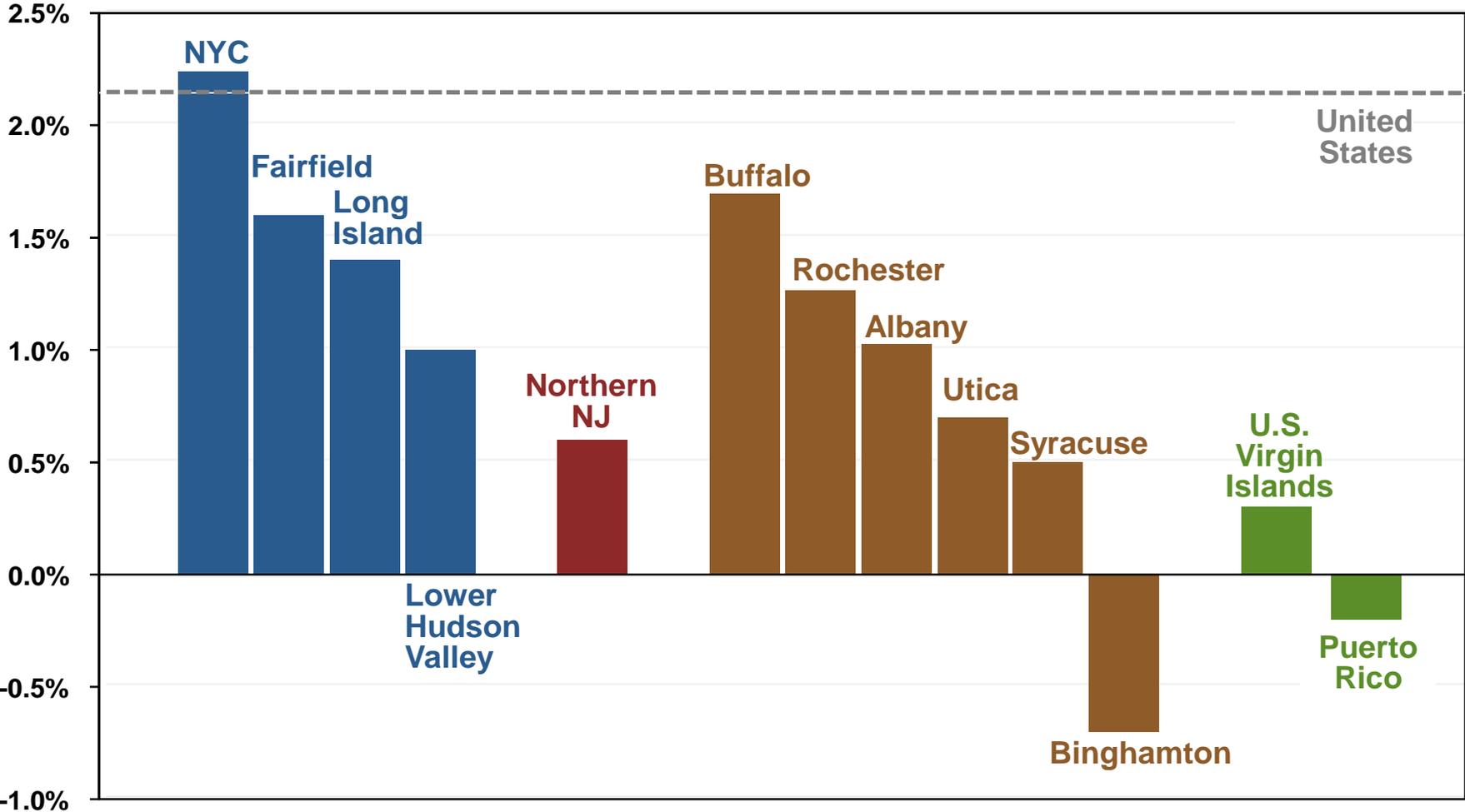
Regional Employment Trends

Indexes of Total Employment, Seasonally Adjusted

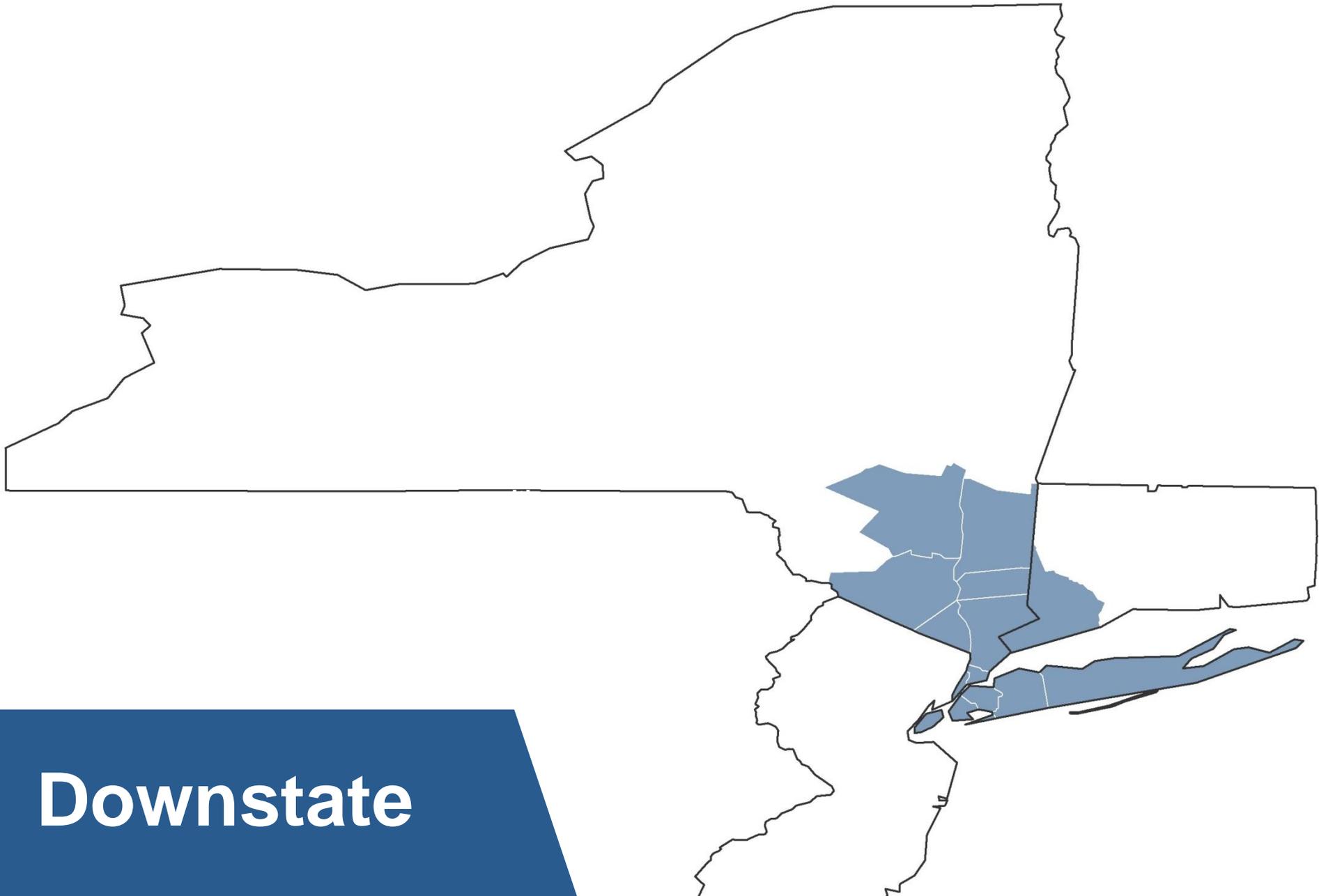


Recent Job Growth Across the District

May - July Average, Percent Change From a Year Earlier



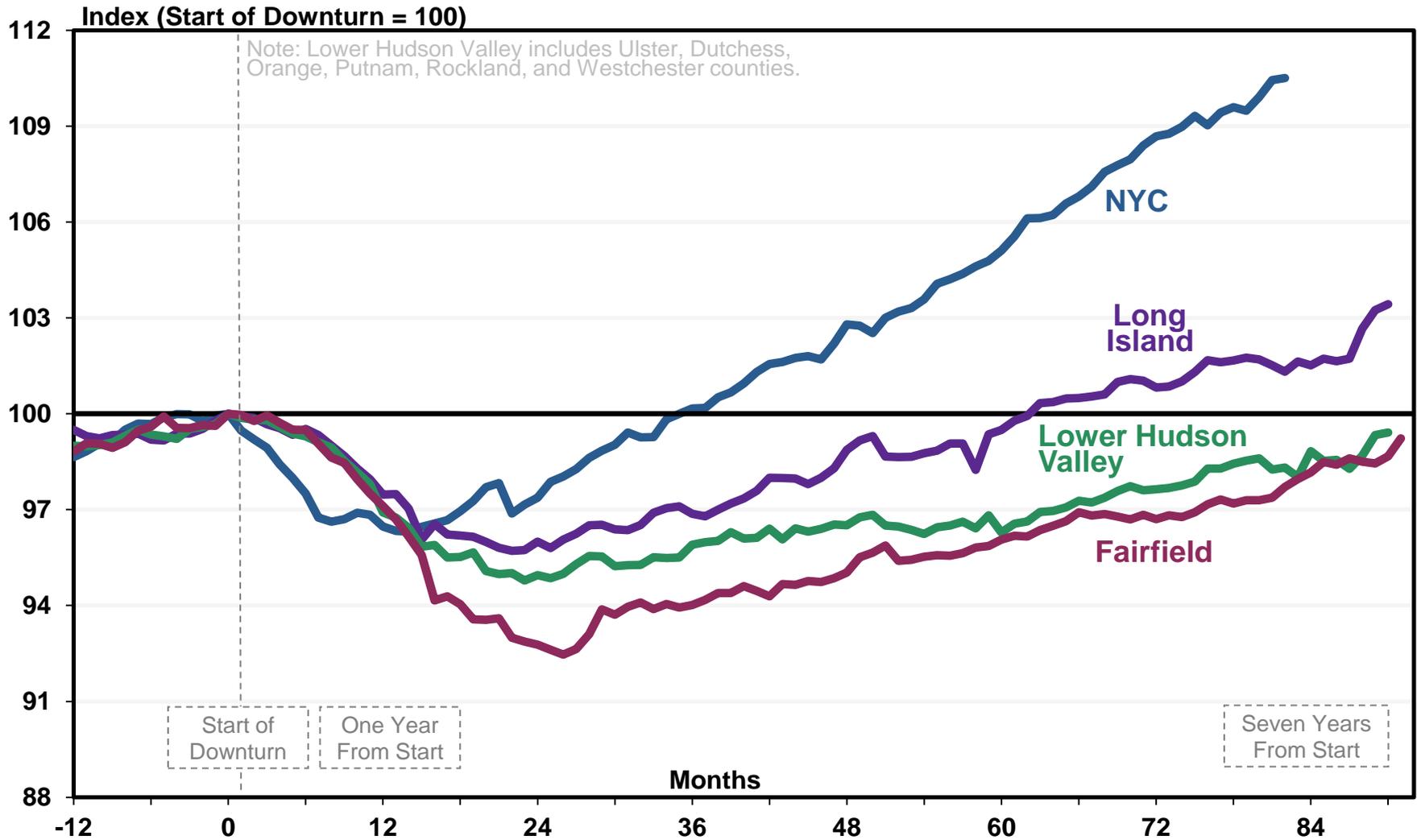
Source: Bureau of Labor Statistics and Moody's Economy.com.



Downstate

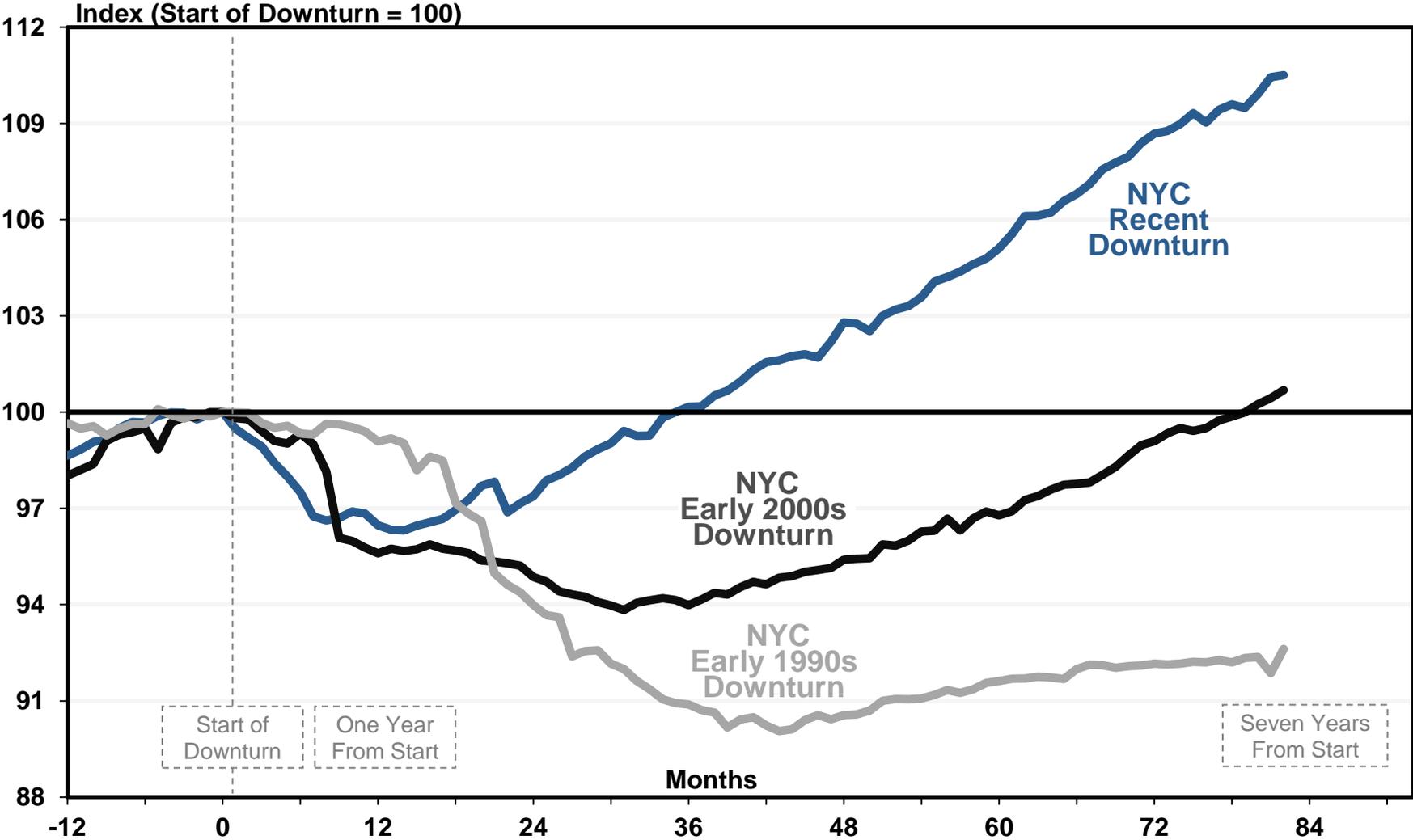
Downstate Employment Trends

Employment Indexed to Local Employment Peak



NYC Employment Trends

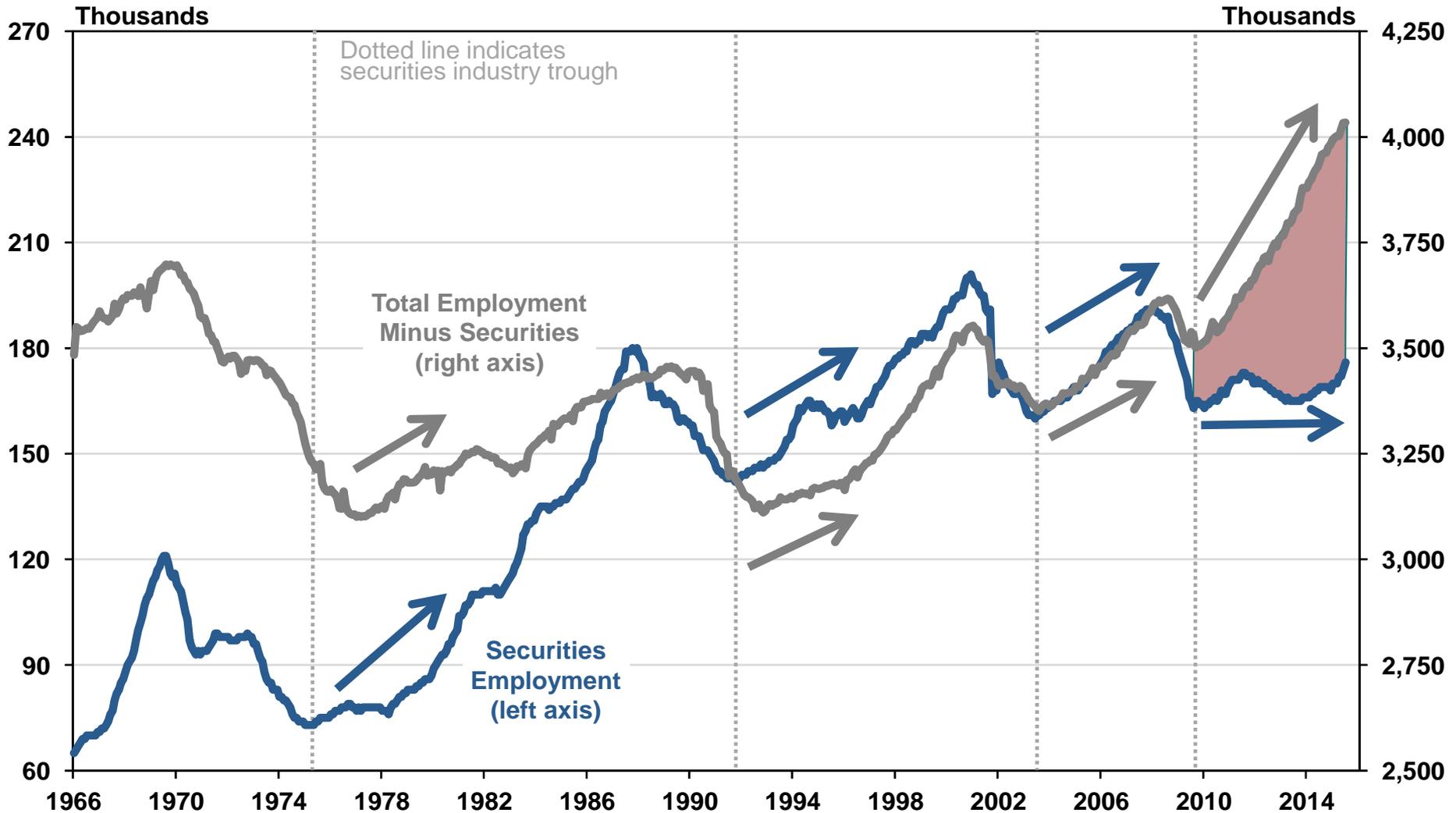
Last 3 Downturns - Indexed to Cyclical Employment Peak



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

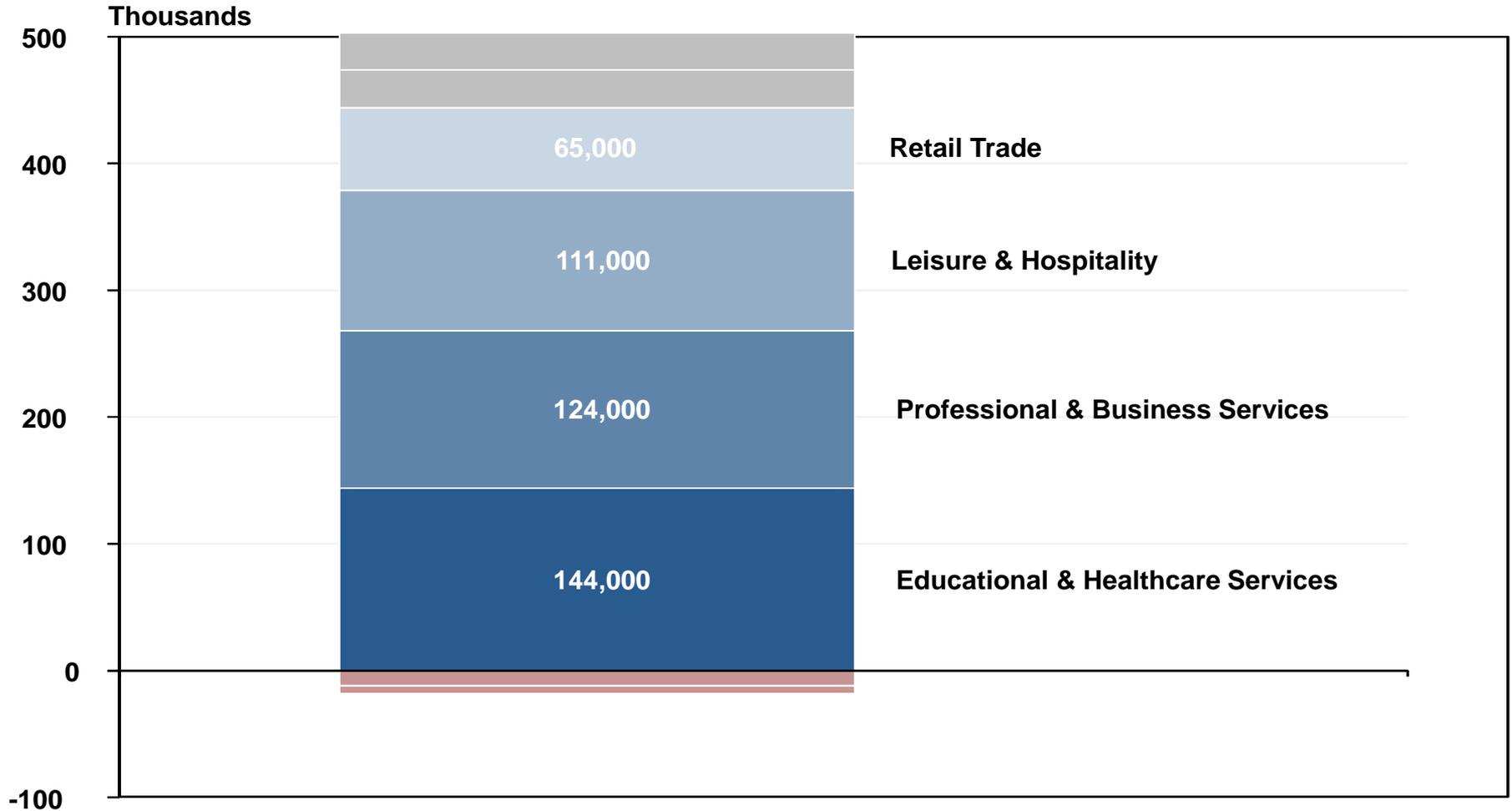
NYC Employment: Wall Street & Main Street

Seasonally Adjusted



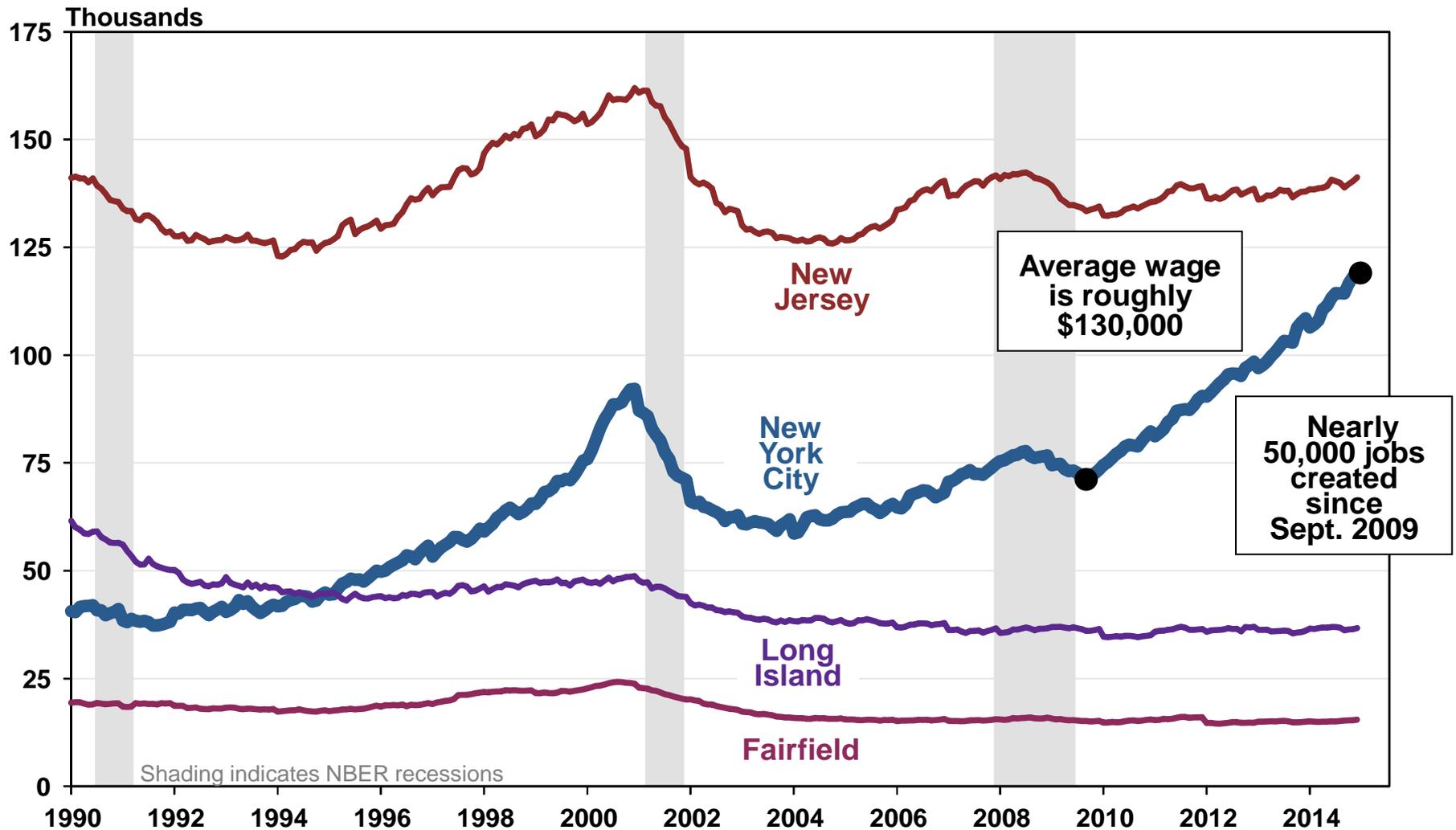
Sectors Driving Recent NYC Job Growth

Employment Change, Sep 2009 – July 2015



Regional Tech Employment

Number of Jobs

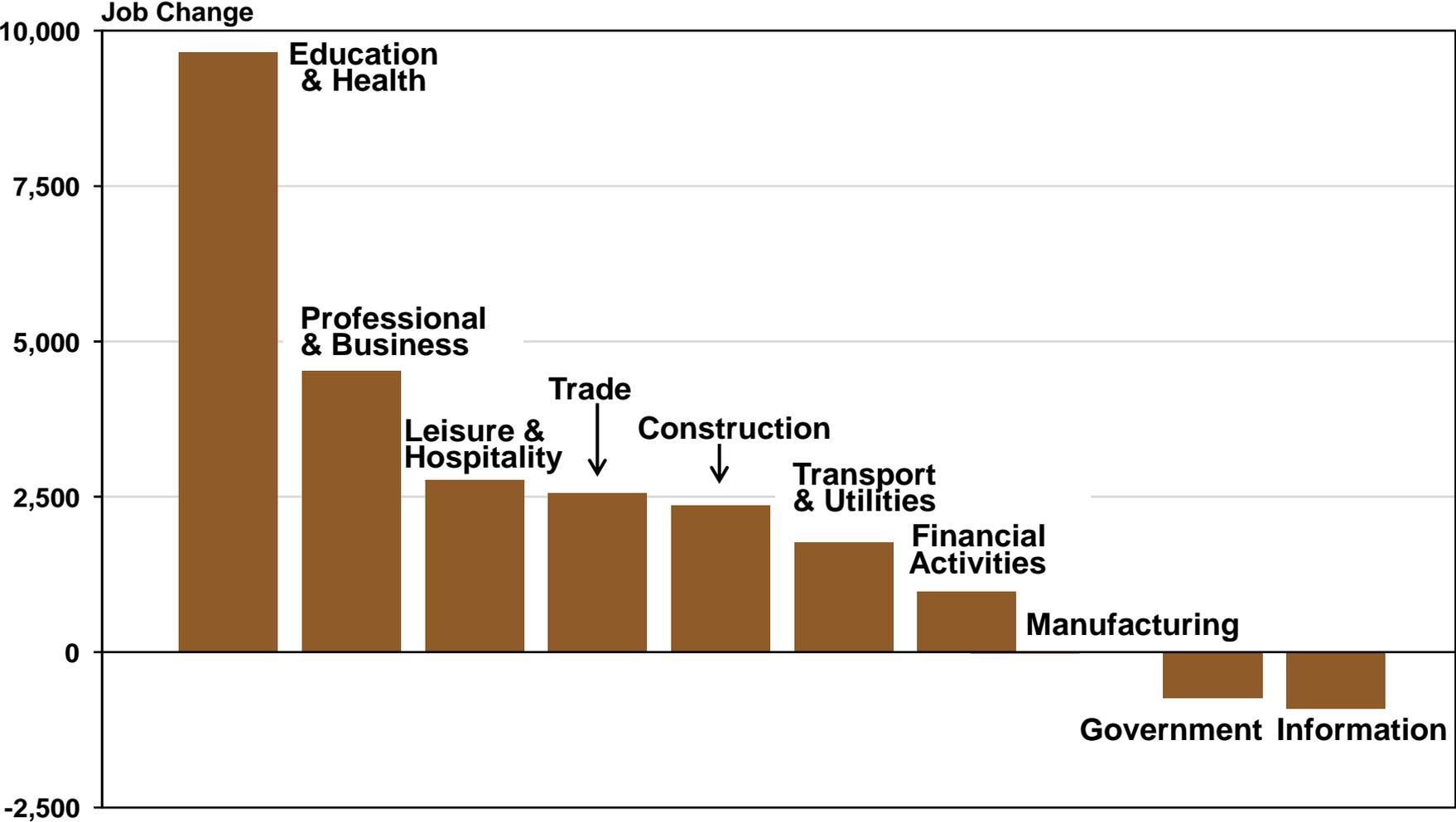




Upstate NY

Sectors Driving Upstate Job Trends

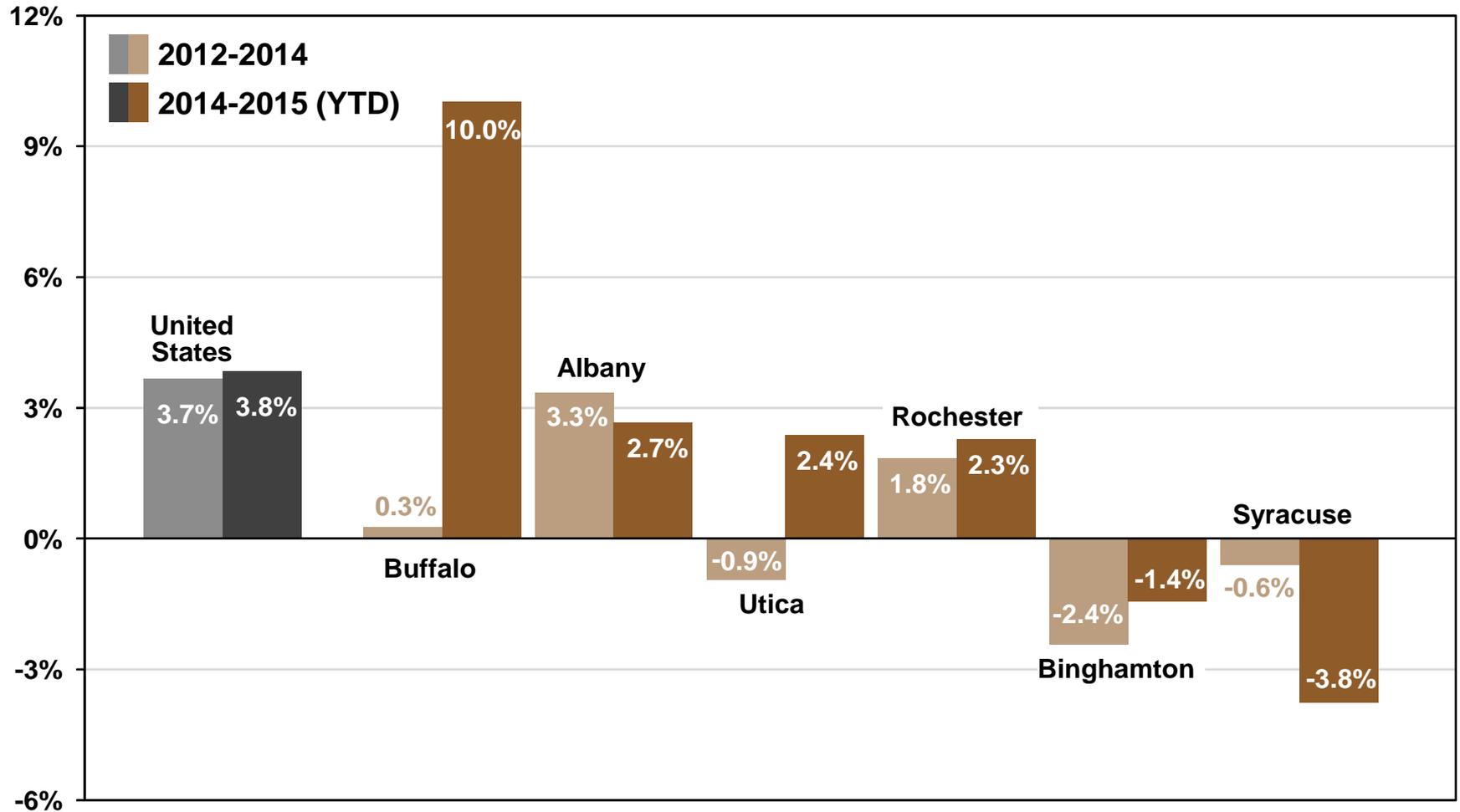
Year-to-Date 2014 to Year-to-Date 2015 Net Change



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

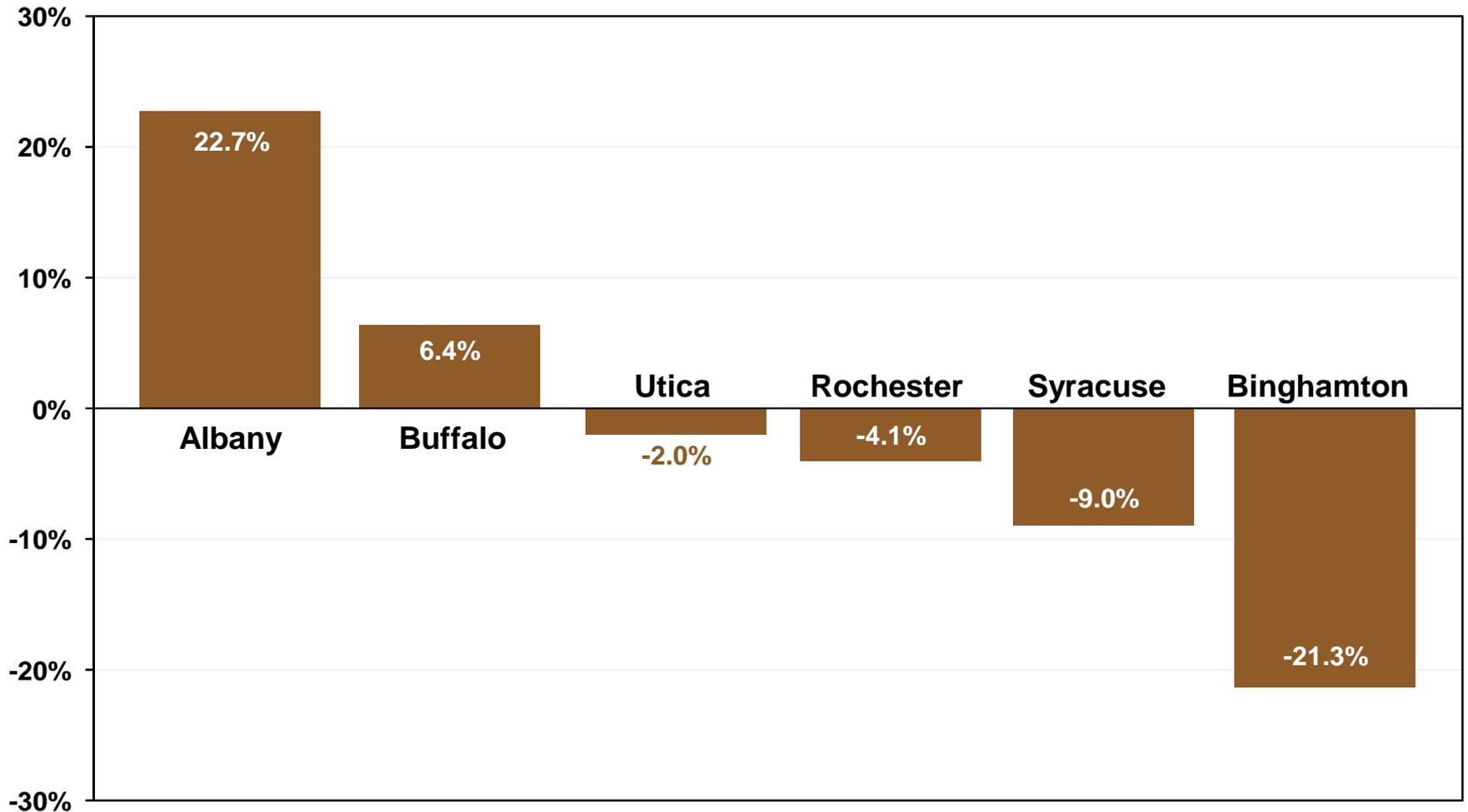
Upstate Construction Employment

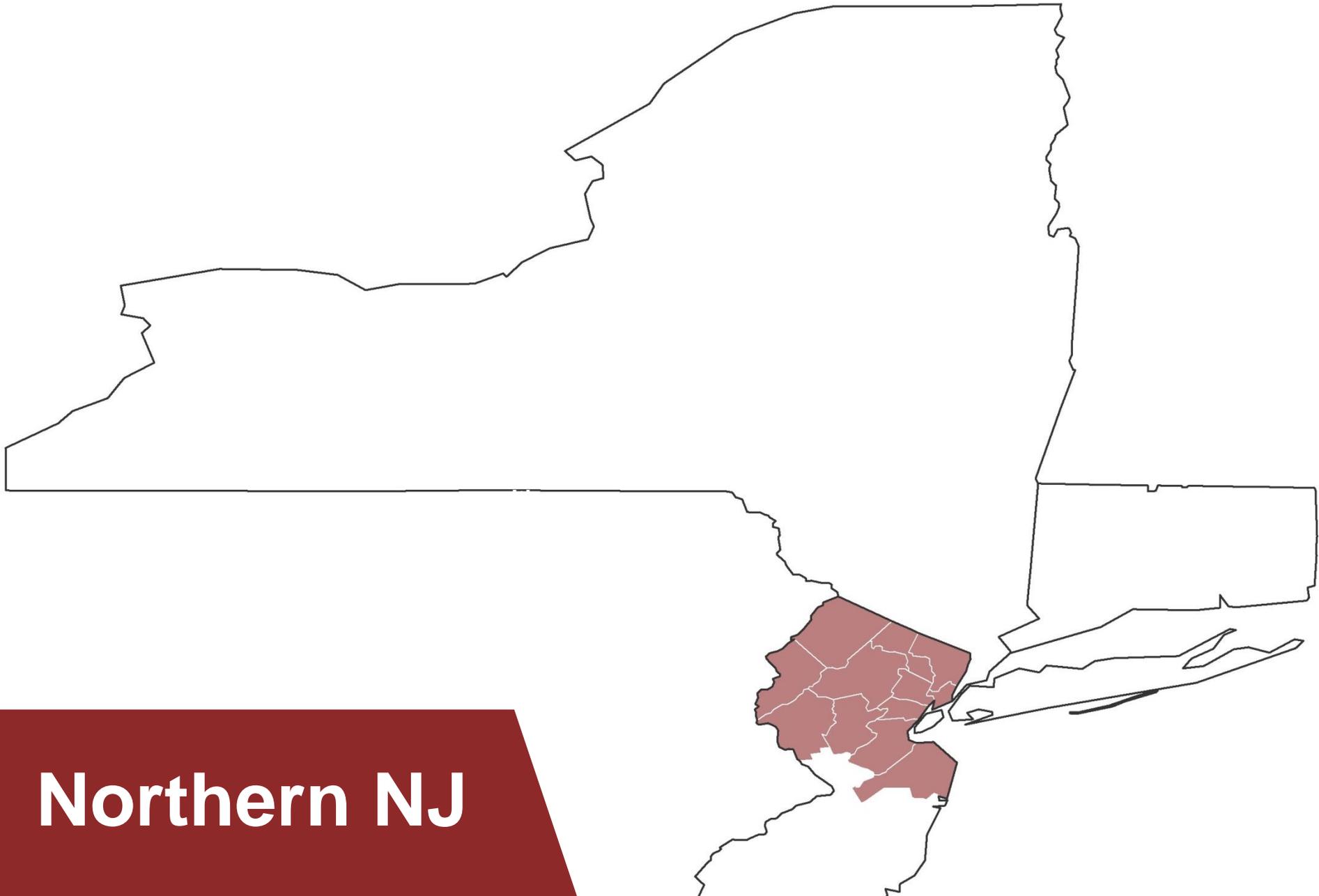
Annual Percent Change



Upstate Manufacturing Employment

Year-to-Date 2010 to Year-to-Date 2015 Percent Change

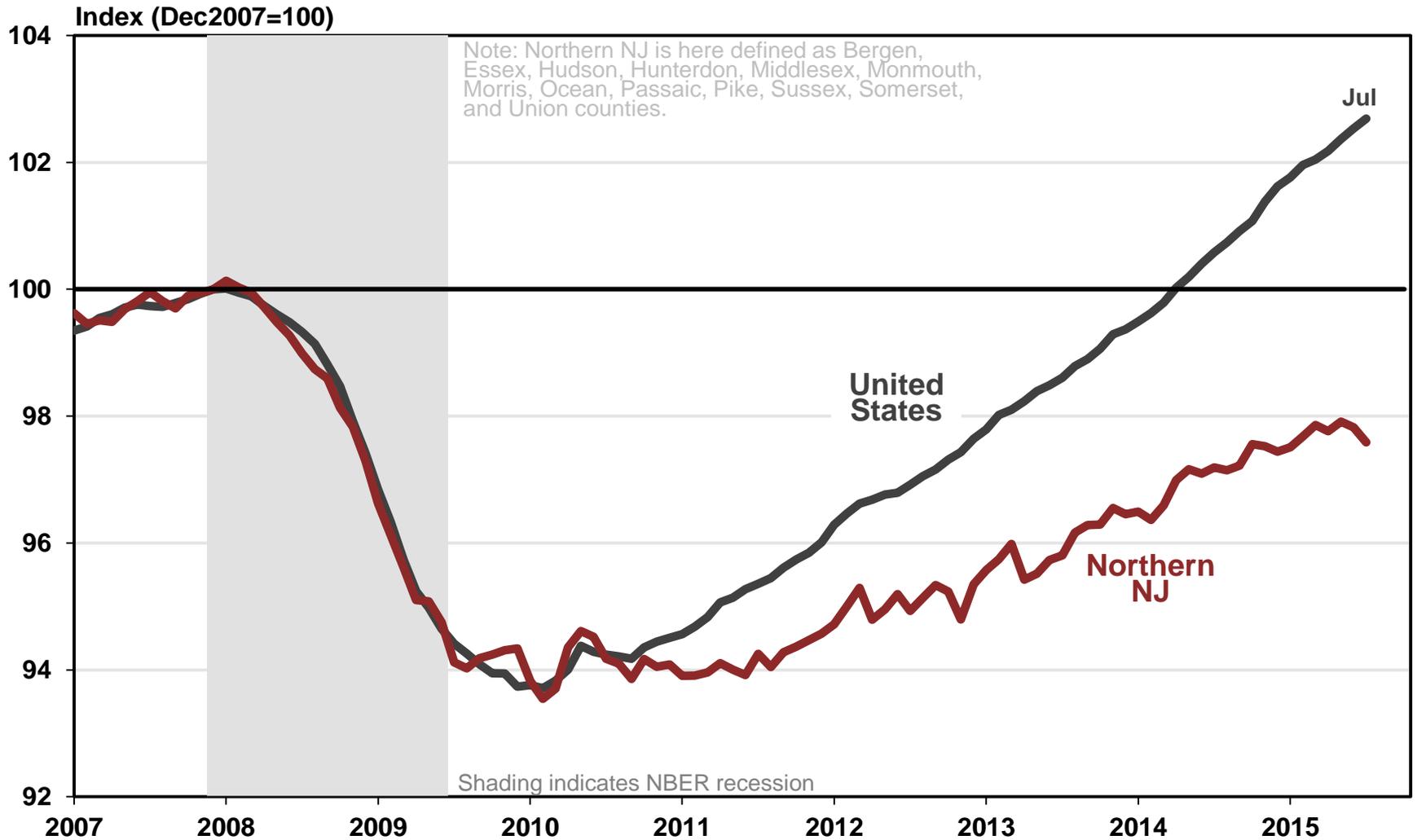




Northern NJ

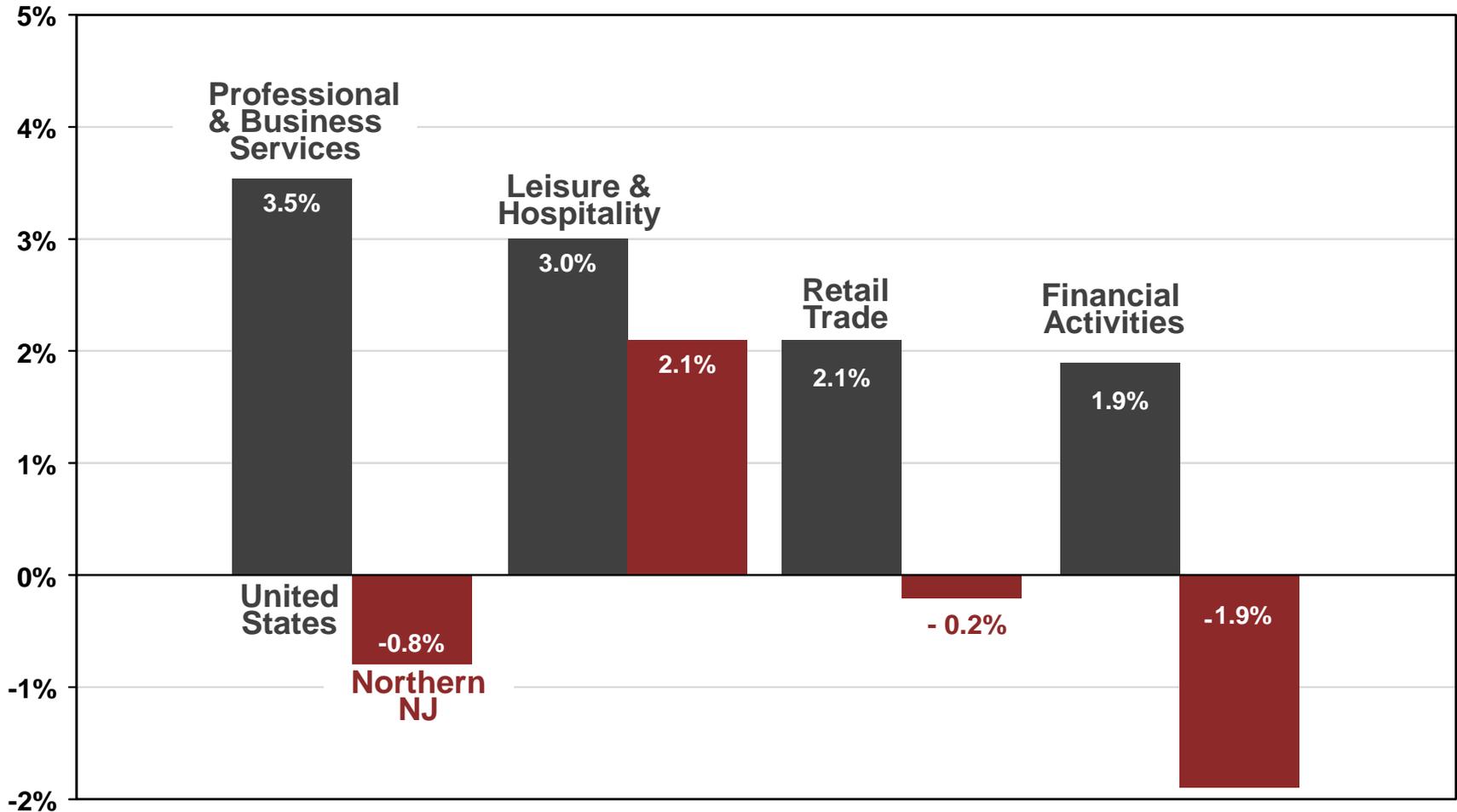
Total Employment

Seasonally Adjusted Index



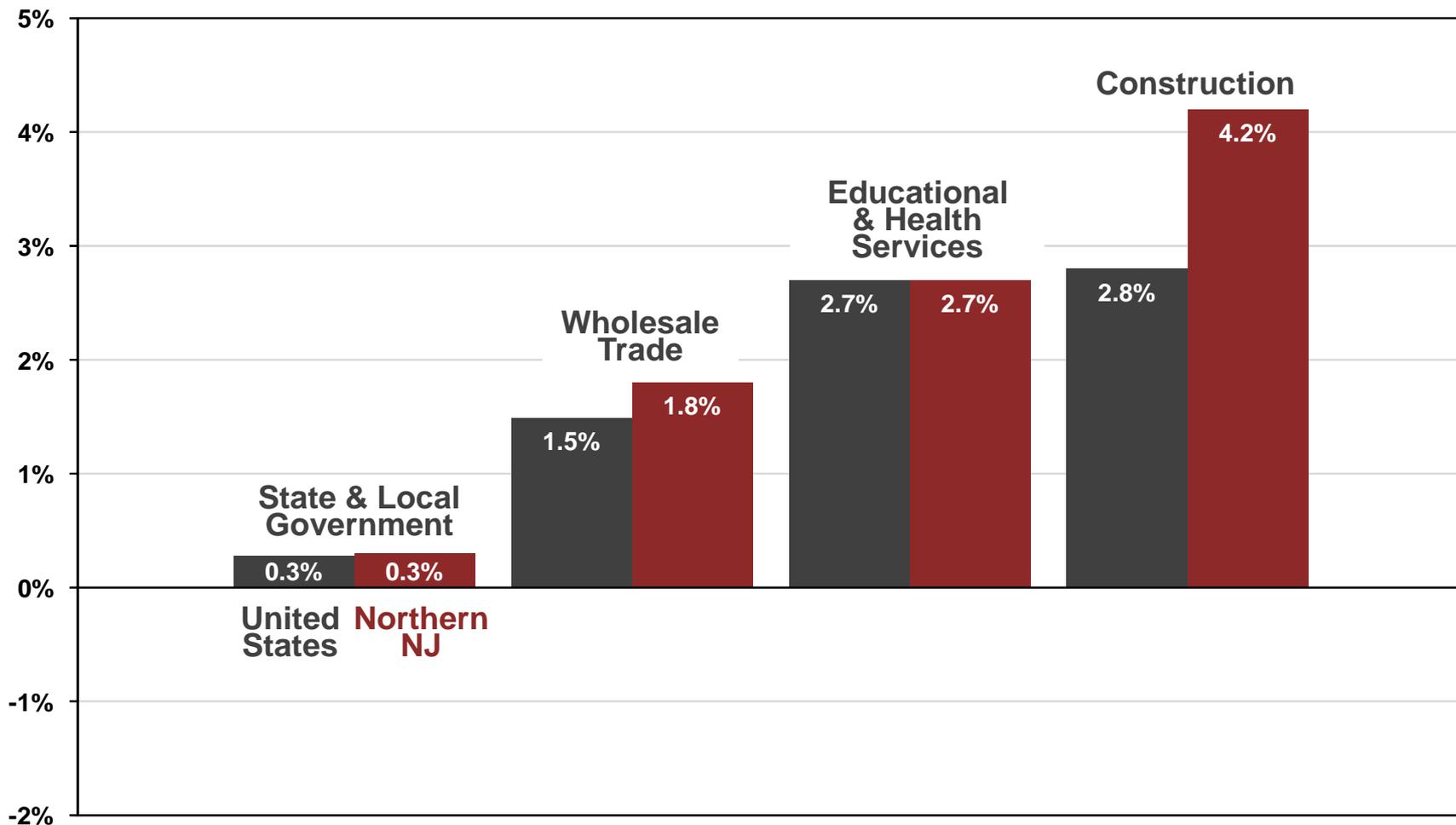
NNJ Sectors Underperforming the Nation

May - July Average, Percent Change From a Year Earlier



NNJ Sectors Matching or Exceeding the U.S.

May - July Average, Percent Change From a Year Earlier

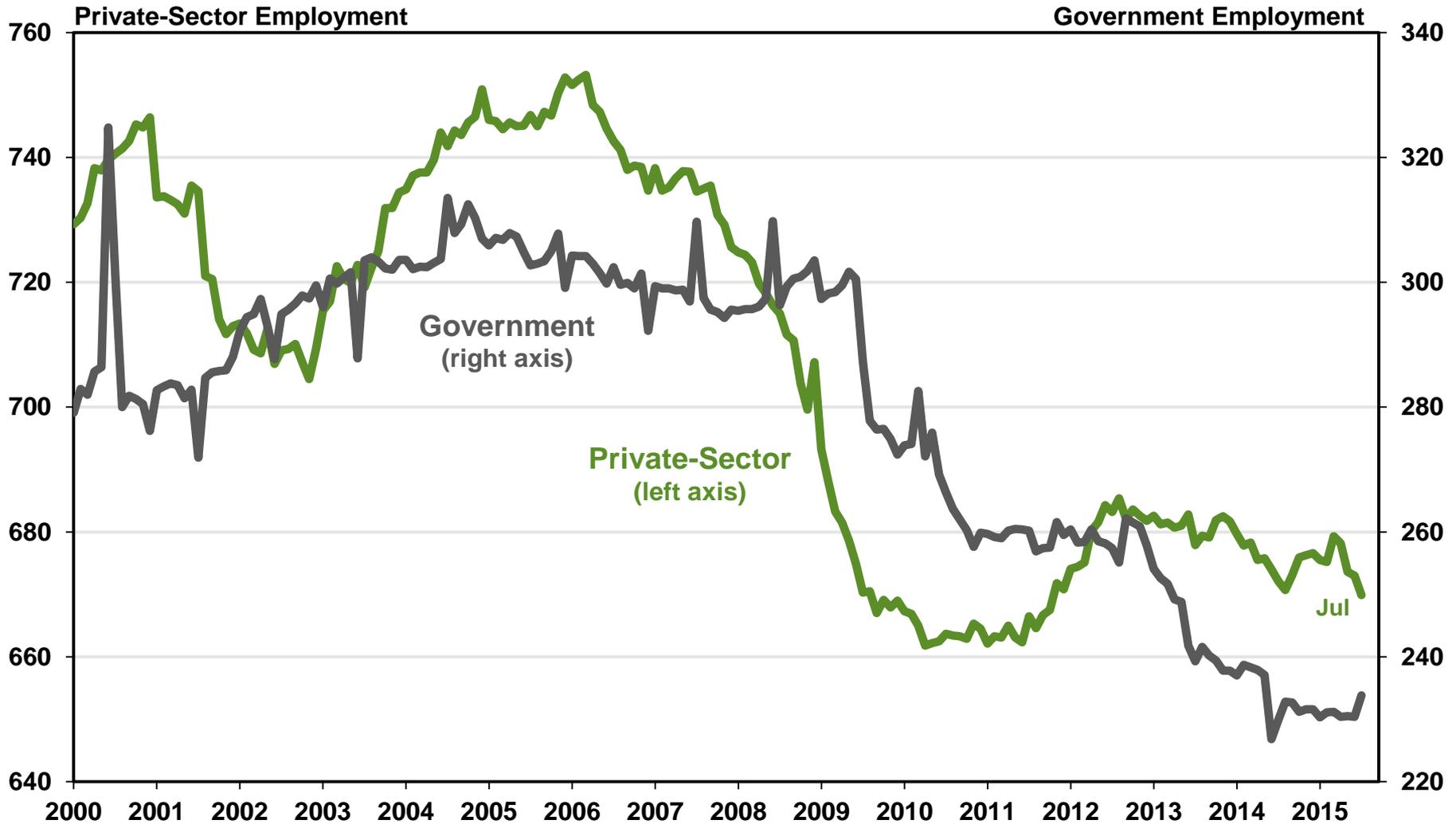




Puerto Rico

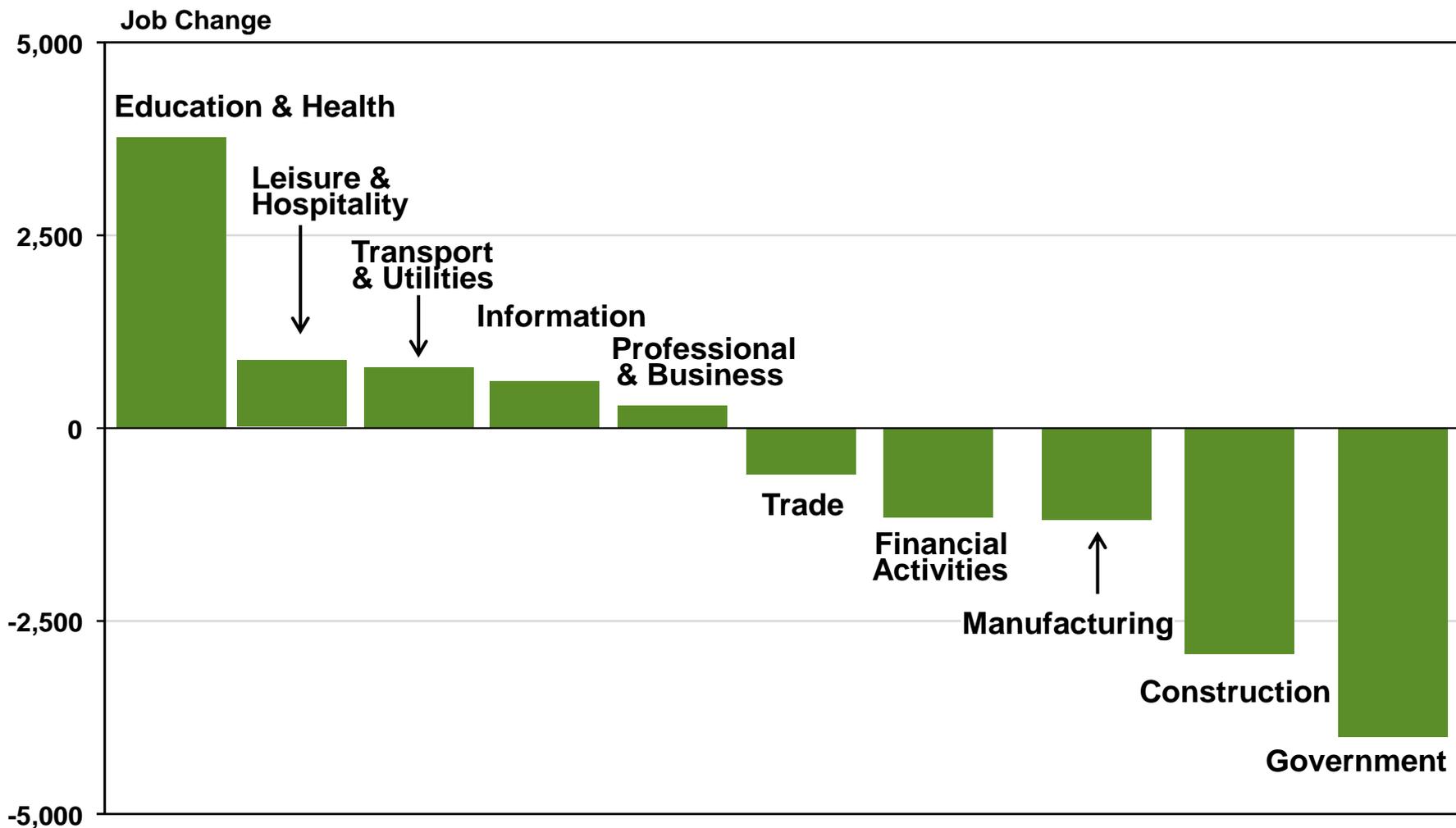
Puerto Rico Employment Trends

Thousands



Sectors Driving Puerto Rico Job Trends

Year-to-Date 2014 to Year-to-Date 2015 Change



Summary

- New York City's job growth has been particularly strong, outpacing the nation, without much help from Wall Street. Growth has been more modest in the rest of downstate.
- Economic conditions are mixed across upstate New York, with Buffalo leading in job growth and Binghamton still seeing significant declines.
- Northern New Jersey's economy is growing modestly, with varied performance across sectors.
- The economies of Puerto Rico and the U.S. Virgin Islands remain depressed, with no sign of recovery.





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How We Define the Tech Sector

- NAICS 334 Computer Manufacturing
- NAICS 454111 Electronic Shopping
- NAICS 5112 Software Publishing
- NAICS 518 Data Processing, Hosting & Related Services
- NAICS 51913 Internet Publishing & Broadcasting and Web Search Portals
- NAICS 5415 Computer Systems Design & Related
- NAICS 5417 Scientific R&D Services

