



FEDERAL RESERVE BANK *of* NEW YORK

The New York State Economy During the Pandemic

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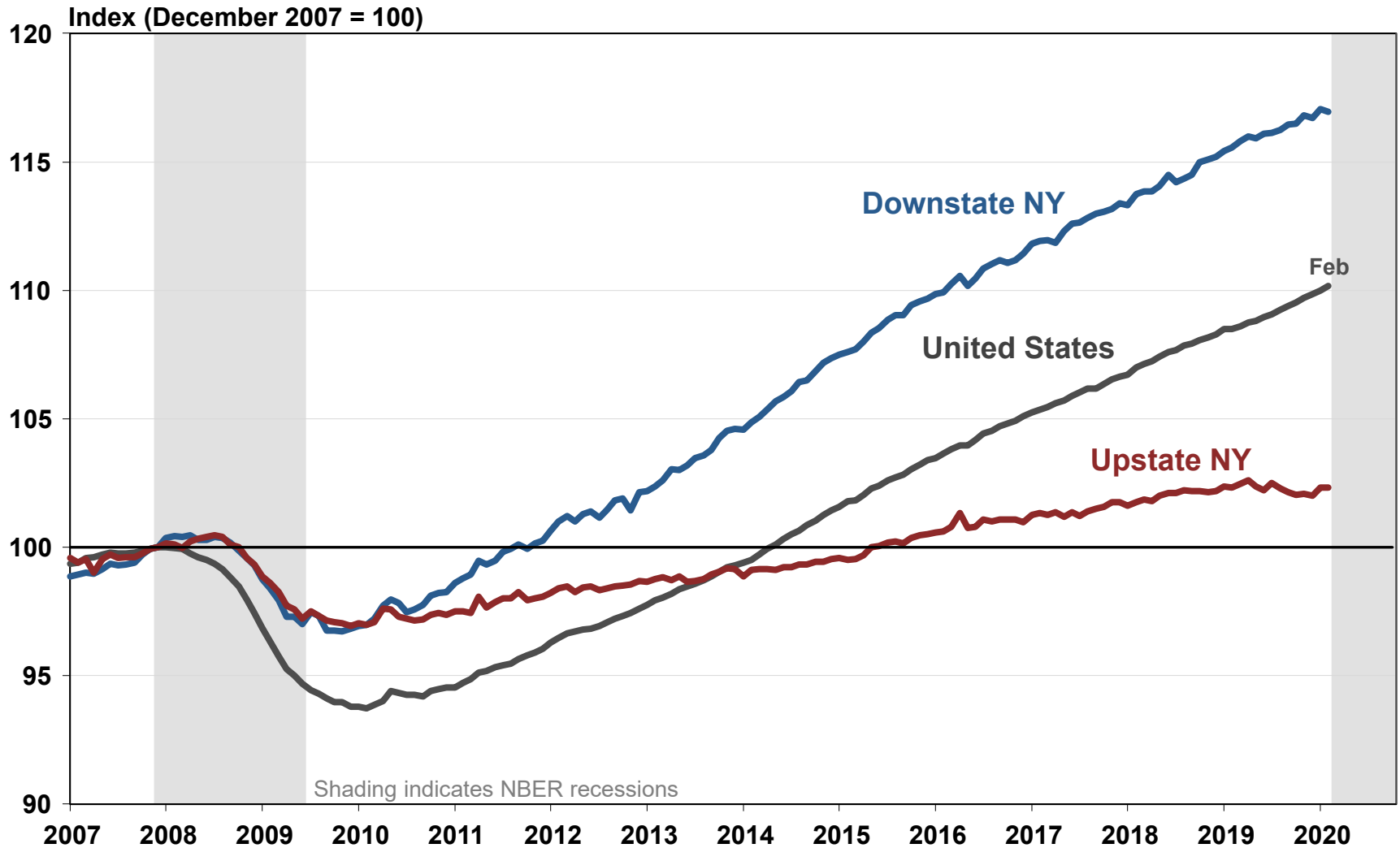
Overview

- Following an unprecedented contraction in the spring due to the coronavirus pandemic, economic activity rebounded sharply in much of New York State during the summer, though there are signs the recovery has started to lose steam heading into the fall.
- With the size of the initial shock and stricter policy approach in New York State, pandemic-related job losses were much more severe here—particularly in and around New York City—than in the nation as a whole.
- As the spread of the virus subsided and more parts of the regional economy re-opened, many firms recalled workers that were furloughed or temporarily laid off and some have even hired new workers. However, even with these job gains, employment remains well below pre-pandemic levels across the state.
- Looking ahead, businesses in the region expect economic conditions to improve over the next six months, though from fairly low levels of activity.



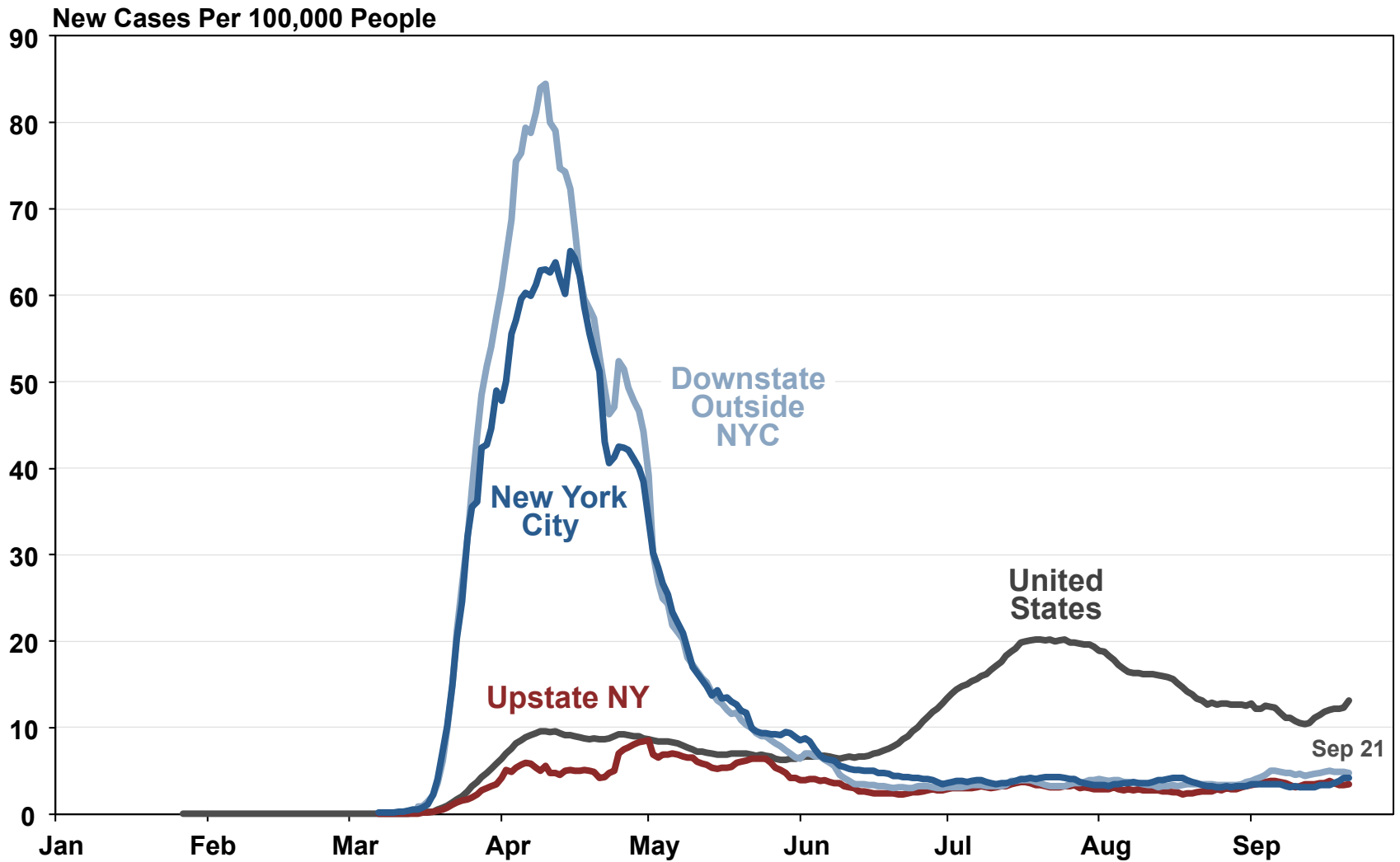
Economic Conditions Before the Pandemic

Indexes of Total Employment, Seasonally Adjusted



The Coronavirus Shock

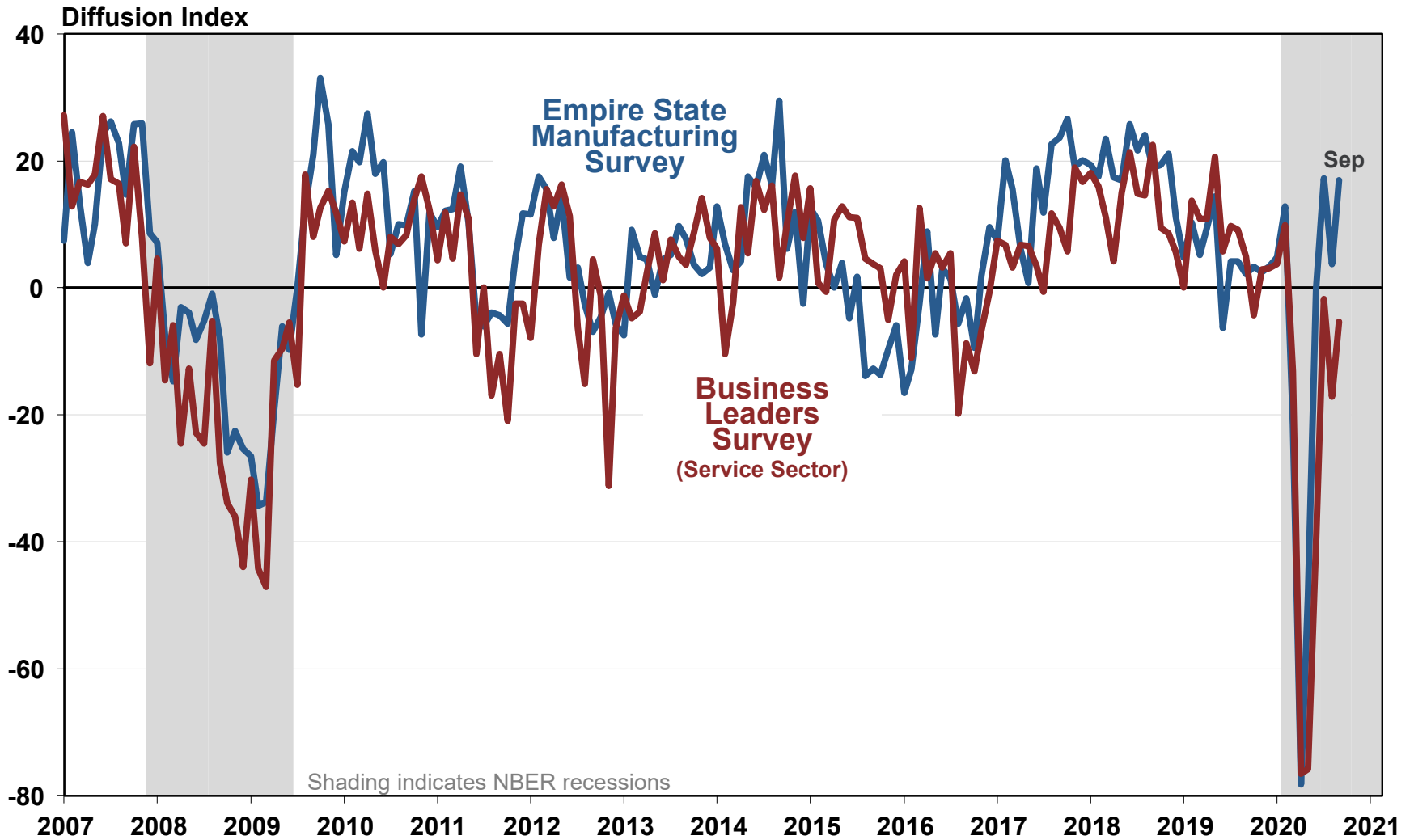
Daily New Cases Per Capita, 7-Day Average



Sep 21

Historic Plunge in Regional Business Activity

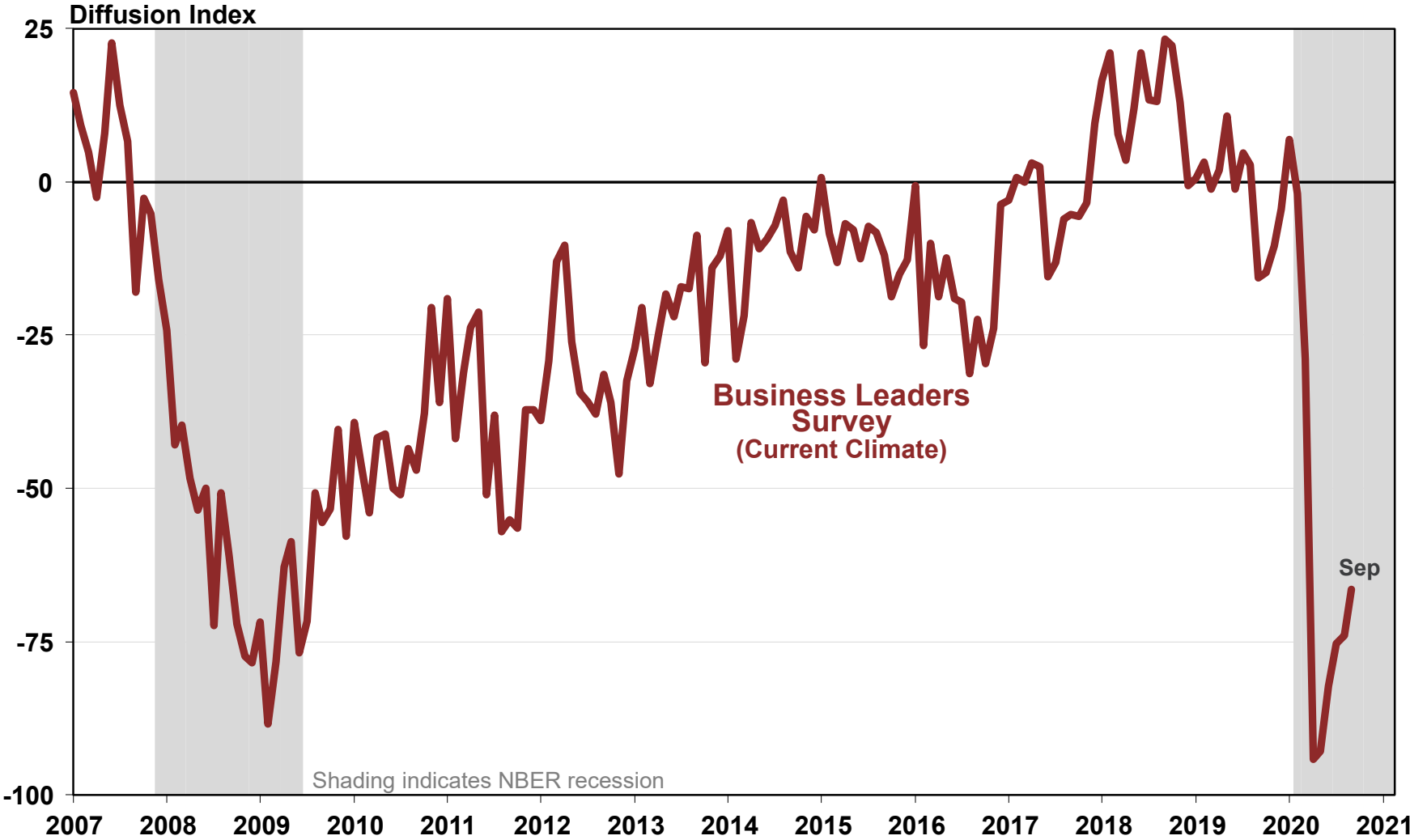
New York Fed Regional Business Surveys, Current Conditions



Shading indicates NBER recessions

Extremely Difficult Business Climate

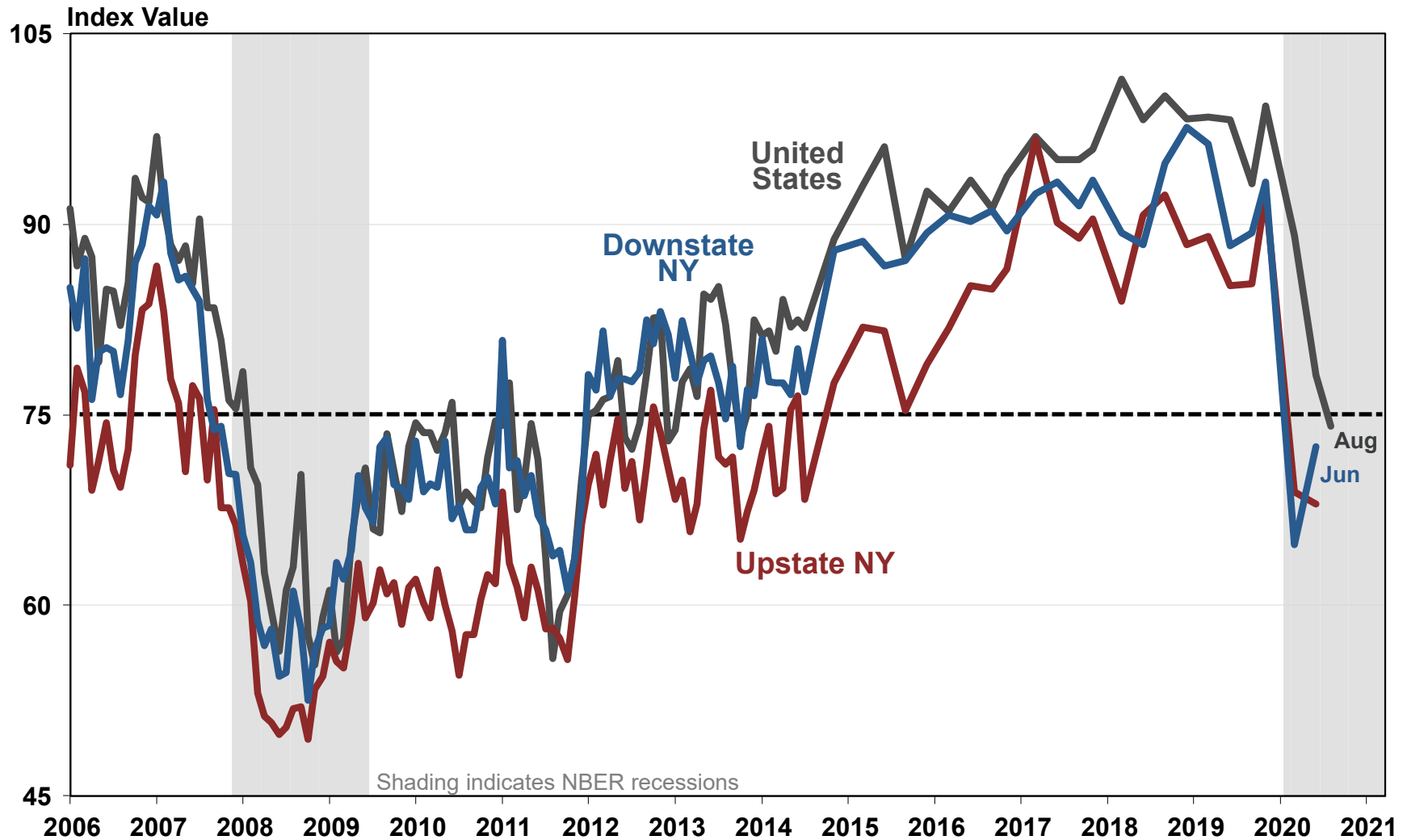
FRBNY Business Leaders Survey



Source: Federal Reserve Bank of New York.

Weak Consumer Confidence

Overall Consumer Confidence

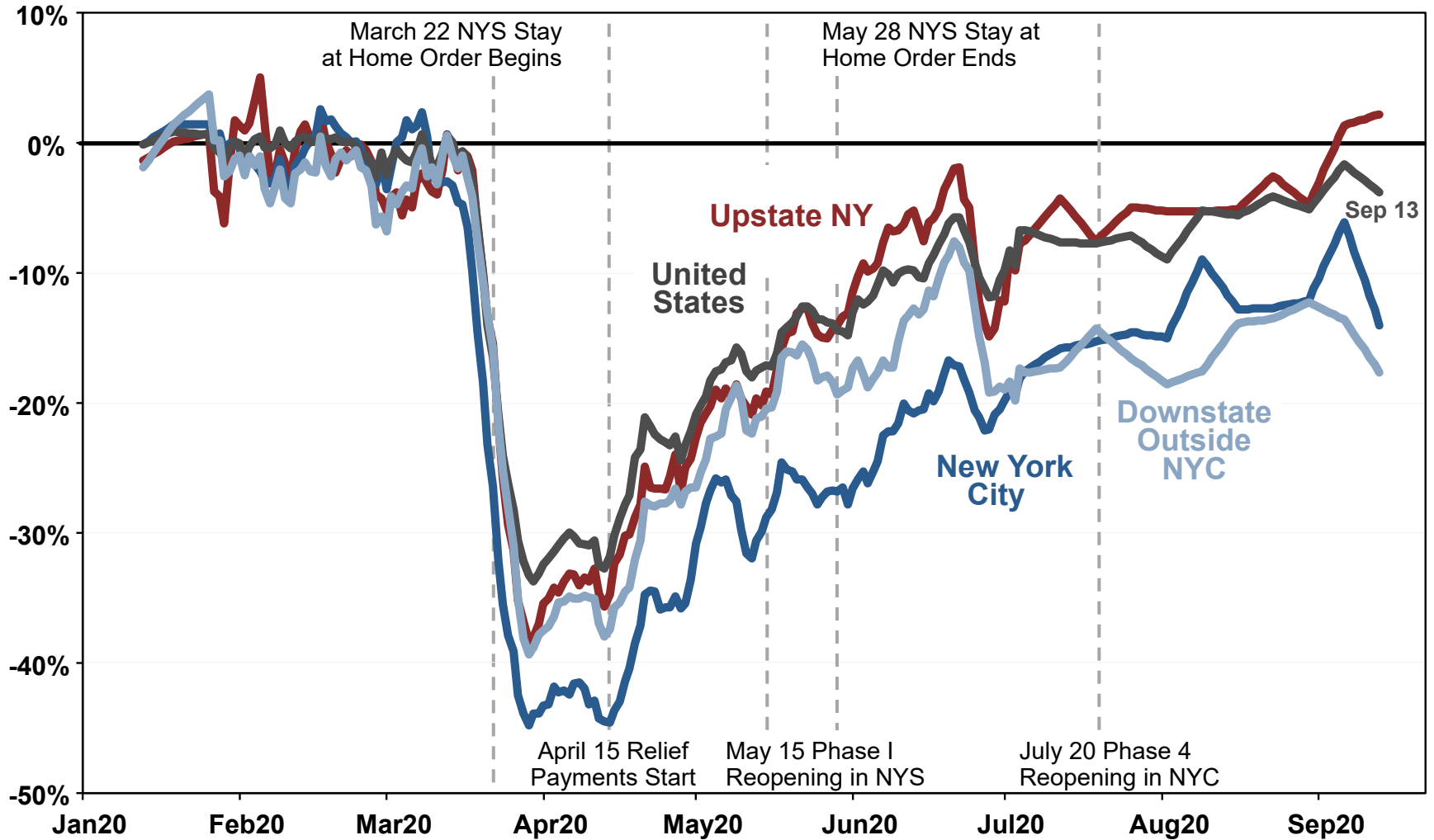


Shading indicates NBER recessions

Aug
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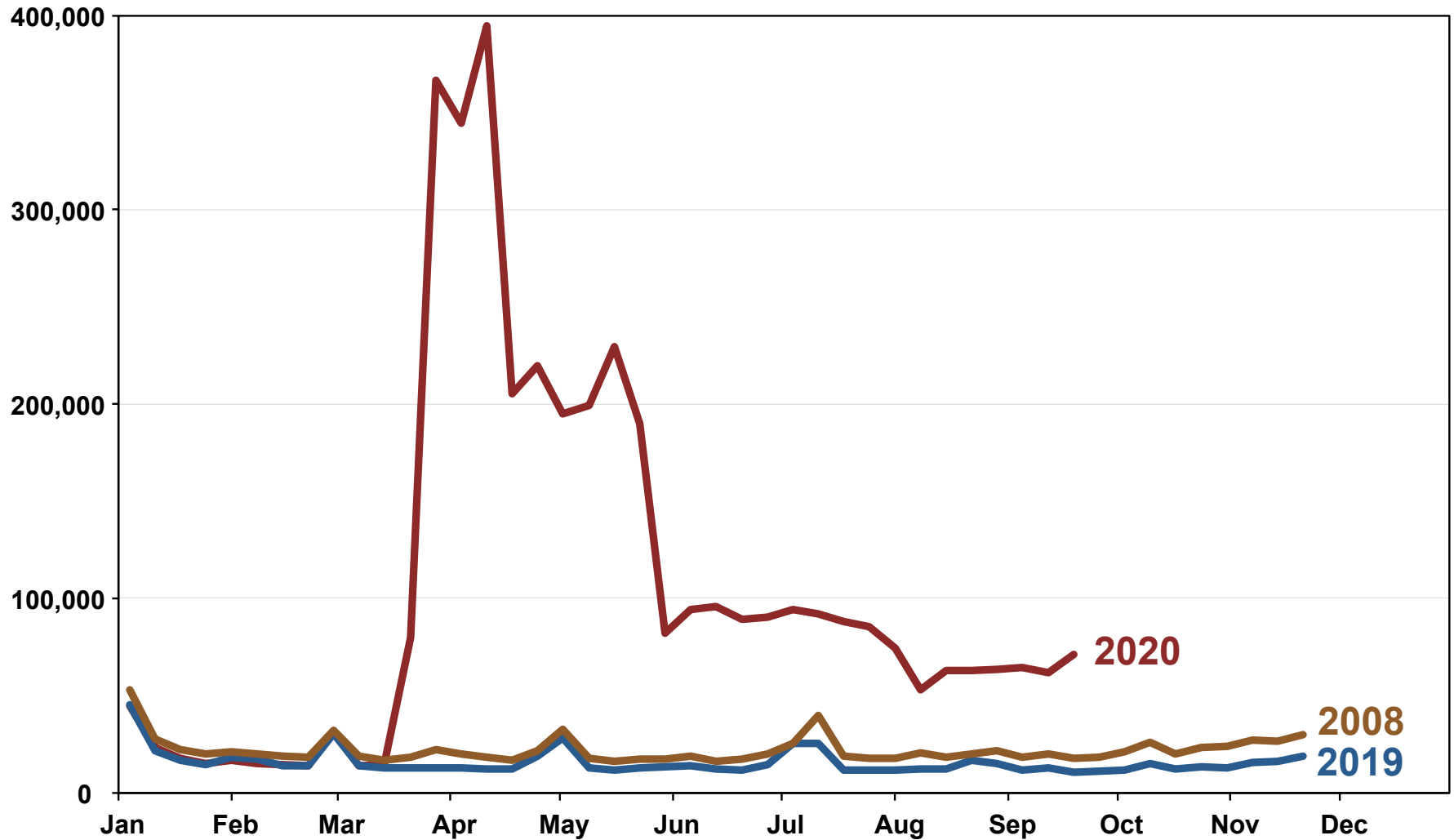
Sharp Drop in Consumer Spending

Percent Change in Total Spending, Indexed to January 2020



Unemployment Insurance Claims Surge

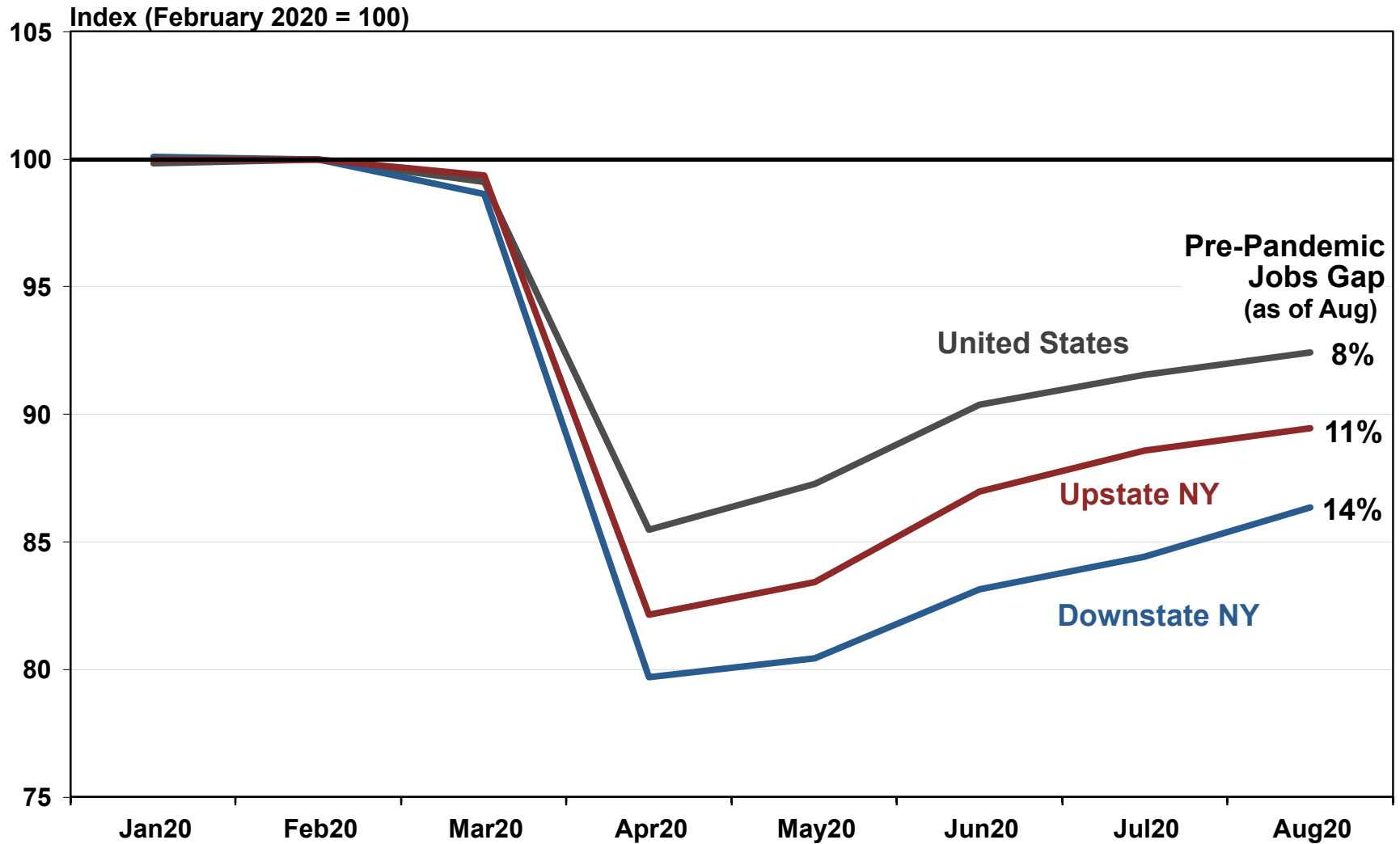
New York State Initial Claims, Not Seasonally Adjusted



Source: Department of Labor and Haver Analytics.

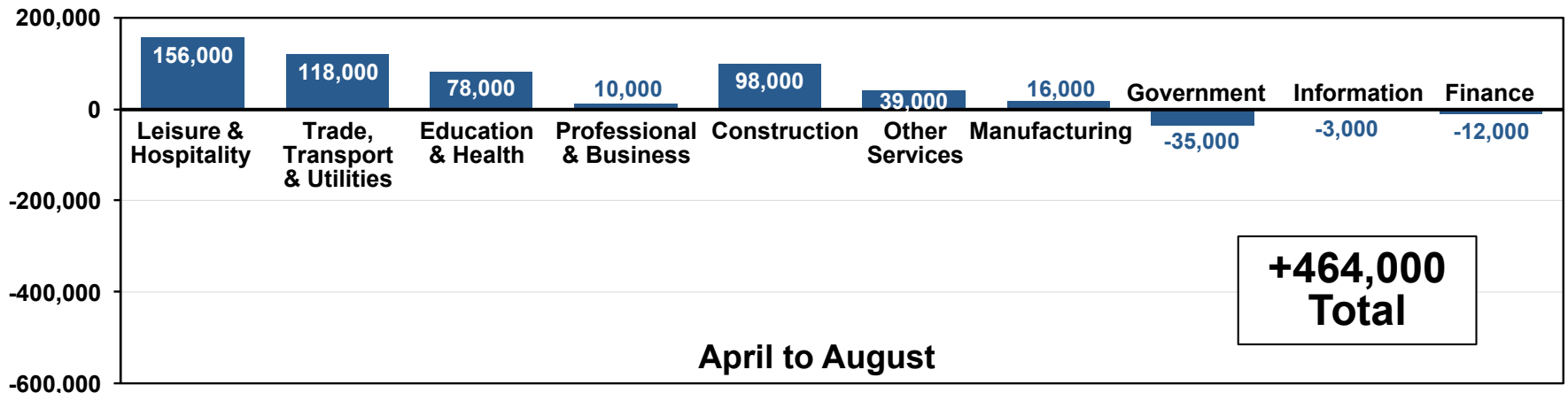
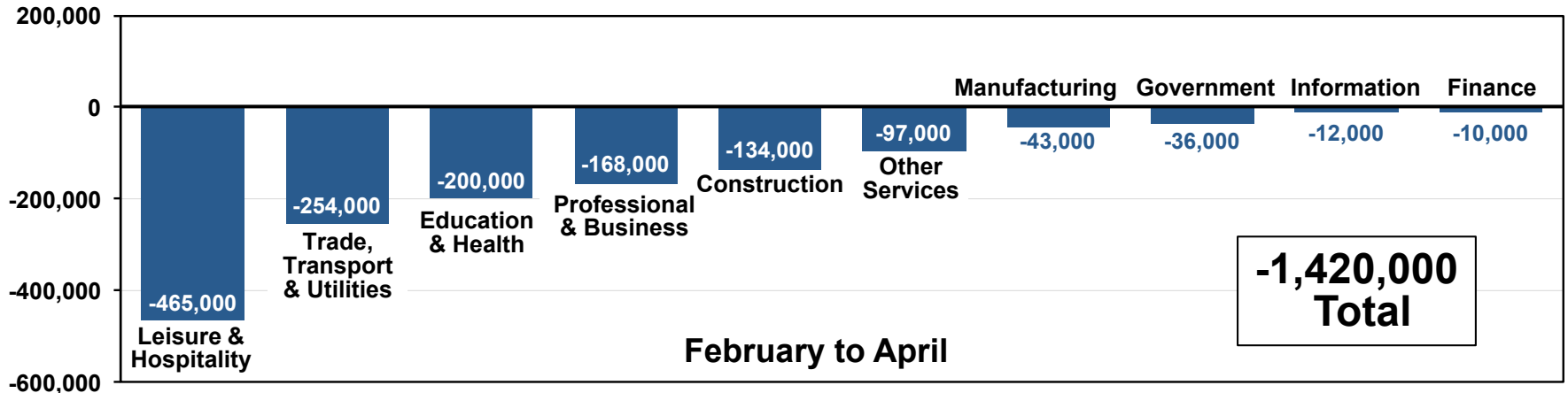
Steep Job Losses in New York

Indexes of Total Employment, Seasonally Adjusted



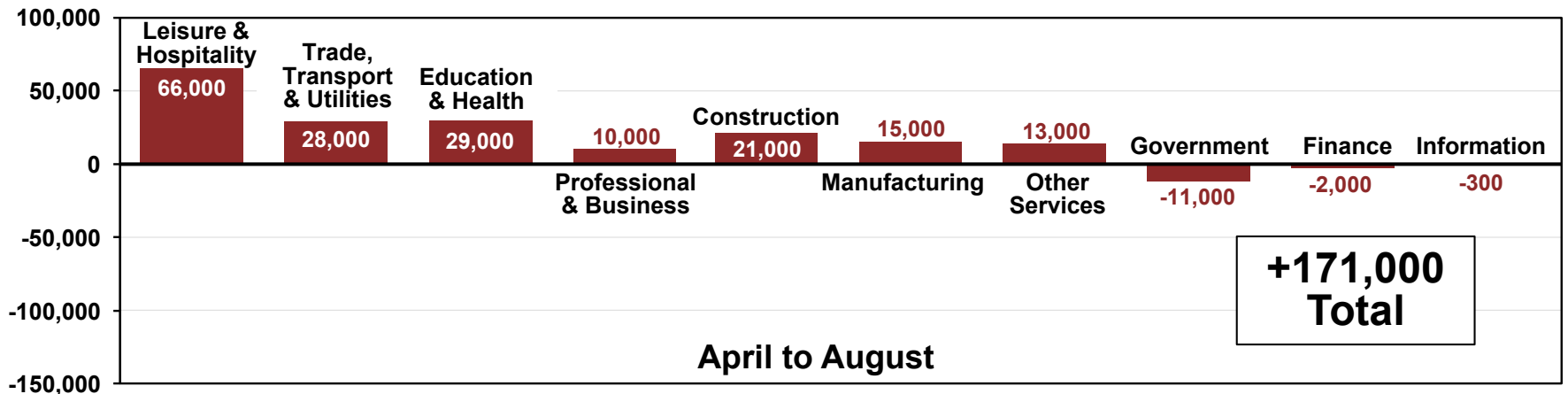
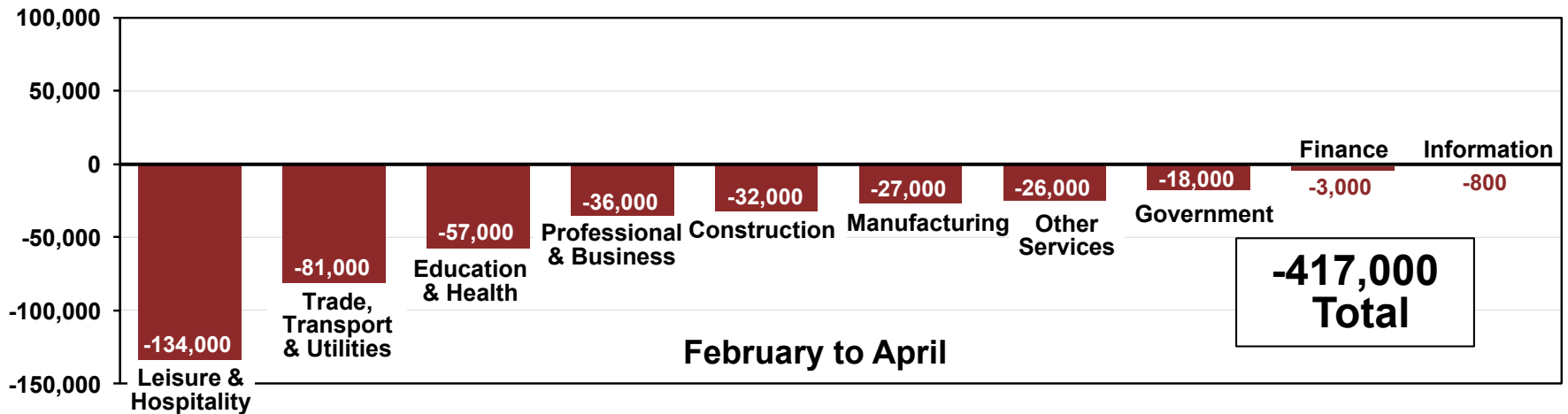
Job Losses and Gains in Downstate NY

Change in Employment by Sector



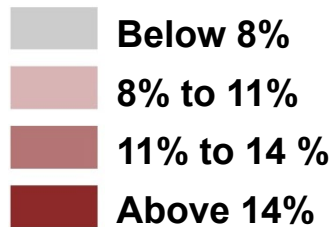
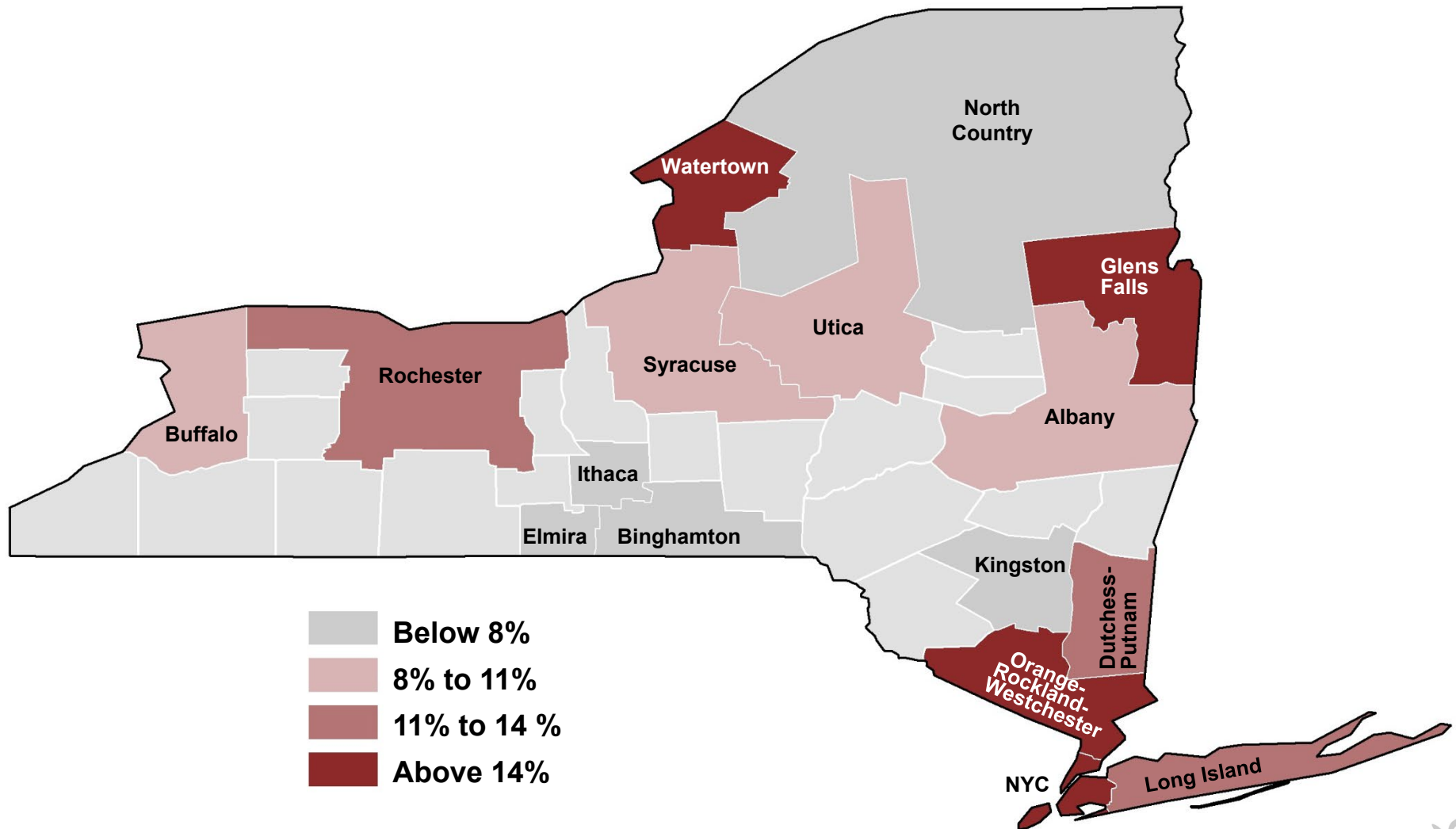
Job Losses and Gains in Upstate NY

Change in Employment by Sector



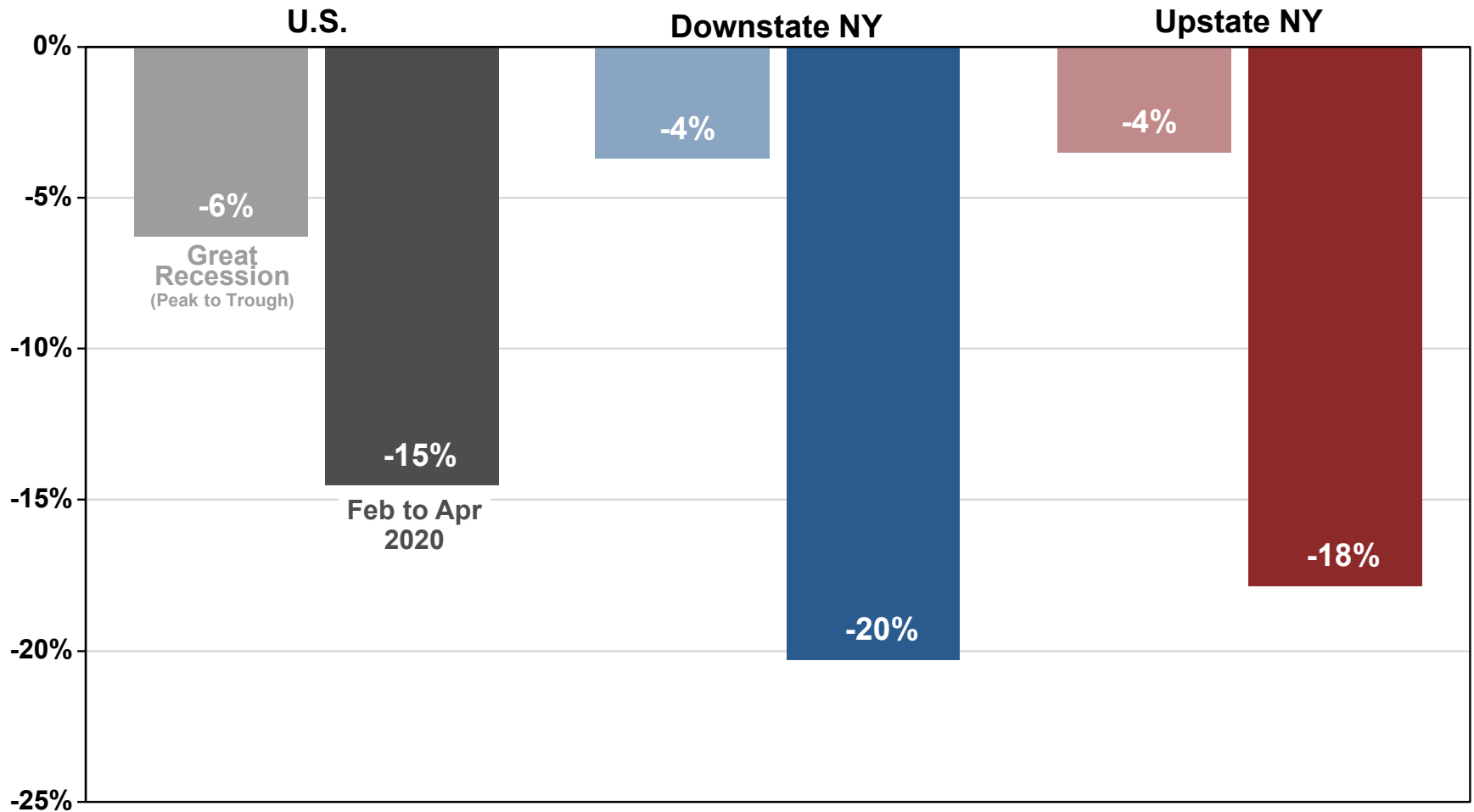
Large Jobs Gaps Remain in New York

Percent Below Pre-Pandemic Employment Level (as of Aug)



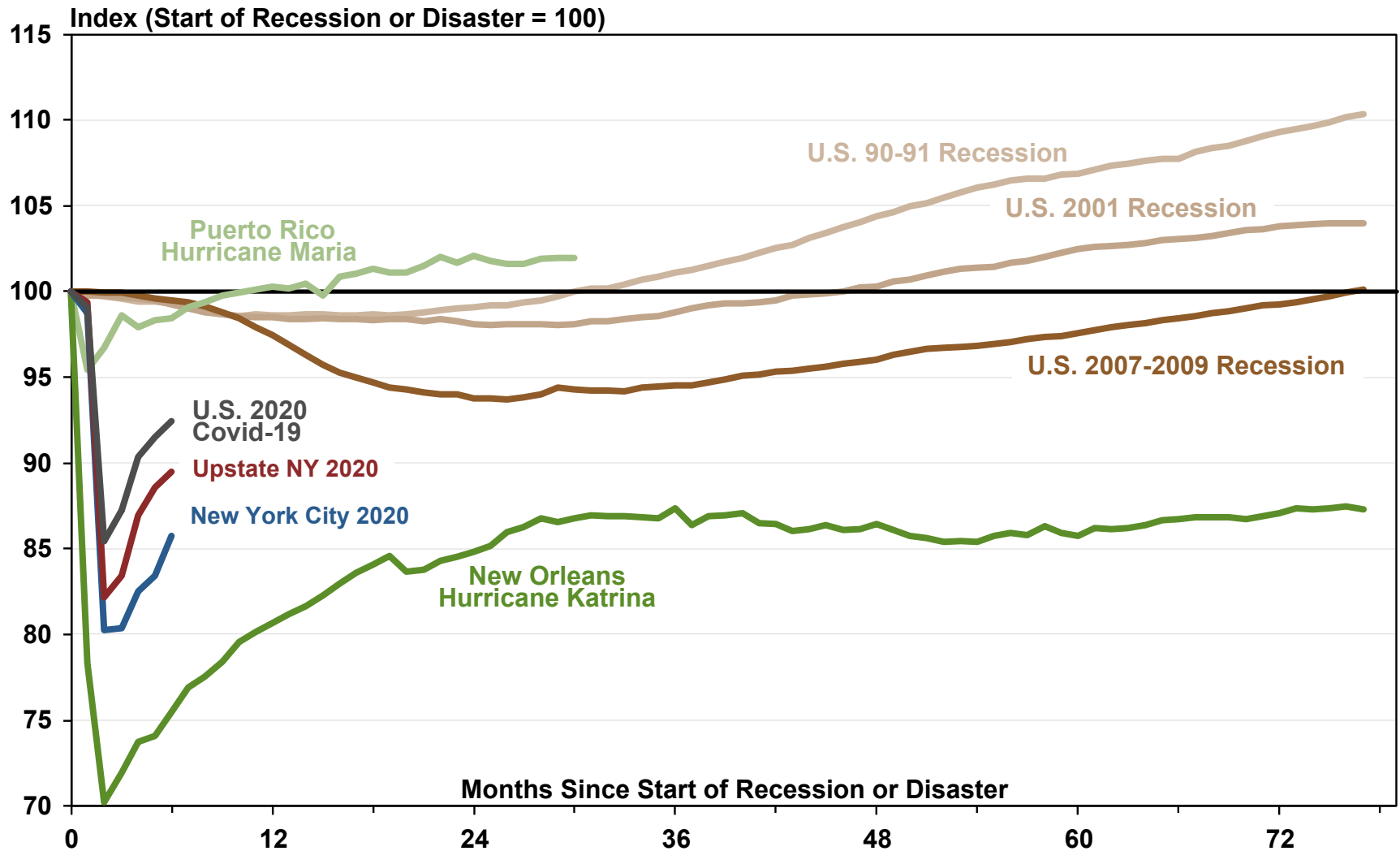
A Deeper Downturn Than the Great Recession

Percent Decline in Total Employment from Peak to Trough



The Pandemic Resembles a Natural Disaster

Indexes of Total Employment, Seasonally Adjusted



Businesses Expect Some Improvement

New York Fed Regional Business Surveys, Future Conditions

