Economic Conditions Across New York State

Jason Bram

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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

• The winter Omicron outbreak, which has since subsided, appears to have had a modest negative effect on the state’s economy in early 2022.

• Employment has continued to rebound briskly across most of the state
  o New York City, where the economic effect of the pandemic was most severe, has seen the weakest recovery thus far.
  o Recently released data from the Quarterly Census of Employment & Wages suggest that NYC job growth was stronger last summer than previously estimated.

• Our monthly business surveys point to a pause in growth in both the service and manufacturing sectors.

• Businesses continue to report widespread price escalation, amidst supply disruptions and labor shortages but remain optimistic about the outlook.

• Housing markets have been exceptionally strong, while office markets have been exceptionally weak.
Consumer Spending Below U.S. but Still Strong

Percent Change in Debit & Credit Card Spending Since Feb 2020

Source: Commerce Signals, a Verisk Analytics Business; data are seasonally adjusted by NY Fed Staff.

Indexed to first two weeks of Feb. 2020, and 14-day Moving Average

Shading indicates NBER recession
New York City Subway Ridership

Percent Change from Comparable Pre-Pandemic Day

Moving 7-day average of daily data

Source: Metropolitan Transit Authority, FRBNY Staff calculations.
FRBNY Early Employment Benchmark

Total Employment in Thousands, Dec 2021 (QCEW Q22021)

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Most Job Loss Concentrated in Five Industries

Industry Contributions to Job Shortfalls as of Dec 2021

- Leisure & Hospitality: -8.9%
- Trade, Transport & Utilities: -7.0%
- Professional & Business: -2.2%
- Education & Health: -1.1%
- Other Services: -0.7%
- Other Sectors: -0.5%

Source: U.S. Bureau of Labor Statistics and Moody’s Economy.com; regional data are early benchmarked by New York Fed staff.
February 2022 Supplemental Survey

Job Openings as a Share of Companies' Workforce

Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
Future Economic Conditions

FRBNY Business Surveys, Conditions Six Months Ahead

Source: Federal Reserve Bank of New York.
Service Firms Seeing Widespread Price Pressure

New York Fed Regional Business Surveys

Source: Business Leaders Survey (Service firms), Federal Reserve Bank of New York.
Manufacturers Seeing Widespread Price Pressure

New York Fed Regional Business Surveys

Source: Empire State Manufacturing Survey, Federal Reserve Bank of New York.
Price Changes Reported by Service Firms
New York Fed Regional Business Surveys

Average Reported Change in Input Prices for Current Year

*Question first asked in 2020.
Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
Price Changes Expected by Service Firms

New York Fed Regional Business Surveys

Average Expected Change in Input Prices for Next Year

*Question first asked in 2020.
Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
Price Changes Reported by Manufacturers

New York Fed Regional Business Surveys

Average Reported Change in Input Prices for Current Year

- Wages
- Employee benefits
- Rent*
- Insurance (liability, fire, ...)
- Outside Services
- Other Operating Costs*
- Energy
- Other commodities
- Overall

*Question first asked in 2020.
Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
Price Changes Expected by Manufacturers

New York Fed Regional Business Surveys

Average Expected Change in Input Prices for Next Year

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February 2022 Supplemental Survey

If you are experiencing difficulty obtaining supplies you need, what is the soonest you expect such difficulties to resolve so they are no longer having a significant impact on your business?

Source: Supplemental Survey Reports, Federal Reserve Bank of New York.
Office Vacancy Rates

Overall Vacancy Rates

Source: Cushman & Wakefield.
Home Prices

CoreLogic Home Price Index, Seasonally Adjusted

Source: CoreLogic Home Price Index (including distressed sales).
Home Prices

CoreLogic Home Price Index, Seasonally Adjusted

Source: CoreLogic Home Price Index (including distressed sales).
Home Prices

CoreLogic Home Price Index, Seasonally Adjusted

Percent Change Since Mar 2006

Source: CoreLogic Home Price Index (including distressed sales).