

# MONTHLY ECONOMIC INDICATORS

THE PORT AUTHORITY OF NY & NJ

Planning and Regional Development Department

July 2015

UNEMPLOYMENT RATE (percent of labor force)	JUN 2015	PREVIOUS 3 MONTHS AVERAGE	JUN 2014
U.S. (seasonally adjusted)	5.3	5.5	6.1
U.S. (not seasonally adjusted)	5.5	5.3	6.3
UNEMPLOYMENT RATE (percent of labor force)	MAY 2015	PREVIOUS 3 MONTHS AVERAGE	MAY 2014
REGION (not seasonally adjusted)	5.6	6.2	6.5
NON-FARM EMPLOYMENT (thousands)	JUN 2015	PREVIOUS 3 MONTHS AVERAGE	% CHANGE JUN 2015 / JUN 2014
U.S.	141,842	141,387	2.1
REGION	8,955	8,801	1.6
Construction and Manufacturing	699	670	2.0
Financial / Professional / Business	2,178	2,137	1.1
Government	1,226	1,229	-1.6
All Others	4,853	4,764	2.6
REAL GDP (percentage change)	2015Q2	2015Q1	2014Q4
U.S. (seasonally adjusted at annual rates)	2.3	0.6	2.2
REGION (Oxford Economics Estimate)	1.8	-0.1	0.1
CONSUMER PRICE INDEX (percentage change)	JUN '15/ JUN '14	JUN '15/ MAY '15	MAY '15/ MAY '14
U. S.	0.2	0.3	0.0
Core	1.8	0.2	1.7
REGION	0.1	0.2	-0.1
Core	1.4	-0.1	1.5
Food & Beverages	2.1	0.1	2.1
Housing	0.9	0.5	0.4
Transportation	-6.1	0.7	-6.5
Energy	-16.4	3.5	-19.0
CONSTRUCTION COST INDEX (percentage change)	JUN '15/ JUN '14	JUN '15/ MAY '15	MAY '15/ MAY '14
U.S. 20-CITY	2.4	0.6	1.9
NY REGION	4.3	-3.8	8.5
GASOLINE PRICES (US dollars per gallon)	JUN 2015	A month ago	A year ago
U.S. (all types NSA)	\$2.92	\$2.98	\$3.70
New York City (all types NSA)	\$3.23	\$3.26	\$4.13
Newark, NJ (all types NSA)	\$2.76	\$2.82	\$3.65
HOUSING PRICES (12-month percentage change)	MAY '15/ MAY '14	APR '15/ APR '14	MAR '15/ MAR '14
U.S. 20-CITY COMPOSITE	4.9	4.9	5.0
NY METROPOLITAN AREA	2.8	2.8	2.6
INTERNATIONAL TRADE (billions of dollars)	MAY 2015	% CHANGE VS. MAY 2014	% CHANGE YTD 2015 VS. 2014
U.S.	314.1	-7.1	-4.4
NY CUSTOMS DISTRICT	34.3	-5.2	-0.4
NY Imports	22.4	-4.6	2.0
NY Exports	12.0	-6.5	-4.5
MANHATTAN COMMERCIAL REAL ESTATE	MAY 2015	MAR 2015	FEB 2015
Availability (%)			
Manhattan Totals	9.6	9.8	9.8
Midtown	9.7	9.9	10.1
Downtown	12.2	12.6	12.2
Average Asking Rent (Class A Office APRket) (\$/square foot)			
Manhattan Totals	77.1	76.5	77.7
Midtown	85.8	85.0	85.1
Downtown	61.6	61.6	61.4
REGIONAL ECONOMIC FORECAST	2015	2016	2017
Real GDP (%)	2.2	2.2	2.3
Nonfarm Employment Growth (%)	1.6	1.1	0.6

## SPECIAL FOCUS

### The Sharing Economy: Impacts and Trends

Over the last few years, we have repeatedly reported on the regional and national declines in automobile traffic. Changing demographics and accompanying behaviors shown by younger adults are primary causes of this decline. We have been asking ourselves if this is a trend that will eventually stabilize and reverse itself after the millennial population group has been fully incorporated into the age pyramid and the labor market. But additional research on changing attitudes towards ownership of cars and other assets may provide a different perspective.

New Yorkers have shared space and assets for generations, but technological innovations like smartphones have made it easier than ever to access transportation or temporary housing without being tied down by ownership or long-term leases. The platforms and companies enabling these transactions are referred to as the sharing economy, a label that for the most part describes the utilization of otherwise idle assets, like a spare bedroom now rented out, or a car used as a taxi. It includes housing rental sites, small-jobs outsourcing marketplaces, bikesharing enterprises, carsharing companies, and ridesharing platforms, among other things. The sharing economy offers Americans new ways of lowering expenses or making a little extra money, a welcome advancement given decades long trends of stagnant wages for many Americans.

Usage of the sharing economy is, by national and regional economy standards, small but growing quickly. Between January 1 and January 3, 2015, there were 27,392 listings on Airbnb in New York City, ranging from shared spaces to entire units for rent. There are over 16,000 active Uber driver-partners in the city, though over 40% of those drivers log 15 hours or less on the platform weekly. It is difficult to tell to what extent ridesharing is additive, generating trips that wouldn't otherwise have been taken; it's possible that some trips taken on Uber would have otherwise been made using a private car.

It is also difficult to quantify the amount of money generated through the sharing economy, as most sharing economy companies are not publicly traded. Forbes estimated that the global sharing economy generated \$3.5 billion dollars for the sharers in 2013, a figure that was set to grow 25% annually. Recently, PricewaterhouseCoopers forecast global revenue from these platforms to top \$335 billion by 2025. In 2014, Airbnb was valued at \$13 billion, worth more than both the Hyatt and Wyndham chains. Uber is valued at \$41 billion.

While economists have clearly identified the better utilization of assets as desirable, policymakers and economists have noted possible drawbacks to some sharing economy platforms. Research at the University of British Columbia linked the rise of Airbnb to increases in rents in large cities. The De Blasio administration has expressed concern that ridesharing platforms exacerbate traffic congestion in New York City. But sharing economy platforms also have positive economic impacts. User accounts on most sharing sites are tied to reviews left by others, offering feedback that deters bad behavior; this should, in theory, lower costs for all. With regards to transportation, ridesharing platforms allow supply to quickly scale up to meet demand. Uber's "surge pricing" offers one example: when demand spikes, the per-mile fare increases, incentivizing driver-partners who may not have planned to drive that day to accept fares.

Humans are urbanizing rapidly. The World Health Organization expects that by 2050, 70% of all humans will live in cities. With that trend comes an increasing demand for services in the areas of transportation, housing, and technology. While the technology sector has long acknowledged the merits of shared infrastructure in the form of internet servers and cloud computing, other sectors may also follow the same path. We tend to think about cities of the future as mere extension of the many ways that humans interact with each other today. But isn't it possible that those behaviors change and new relationships develop? Infrastructure planning, primarily focused on assets with very long useful lives, needs to take this into consideration today or be left with assets for a different future soon.

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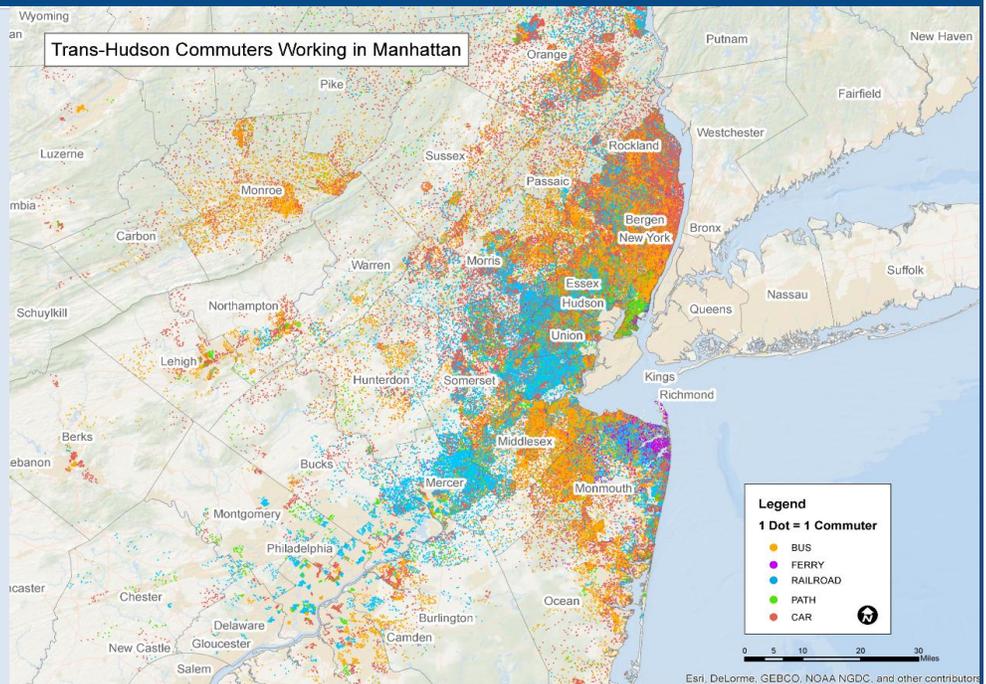
THE PORT AUTHORITY OF NY & NJ

July 2015

AVIATION	May '15	YTD	May '15/'14	YTD '15/'14	PORT COMMERCE	May '15	YTD	May '15/'14	YTD '15/'14
<b>Revenue Passengers (000's)</b>	<b>10,695.4</b>	<b>47,028.2</b>	<b>5.2%</b>	<b>5.2%</b>	<b>Port Trade</b>				
John F. Kennedy International Airport (JFK)	4,978.7	21,506.5	6.2%	6.4%	Container Imports (TEUs)	282,030	1,296,659	13.4%	12.6%
LaGuardia Airport (LGA)	2,523.4	10,950.7	3.1%	3.2%	Container Exports (TEUs)	126,641	583,255	-1.3%	-0.6%
Newark Liberty International Airport (EWR)	3,167.4	14,458.0	5.7%	5.1%	Containers lifted on/off Express Rail	44,663	211,422	17.1%	14.5%
Stewart International Airport (SWF)	26.0	113.0	-10.1%	-11.3%					
<b>Revenue Freight (Short Tons)</b>	<b>170,584</b>	<b>835,671</b>	<b>1.0%</b>	<b>3.1%</b>	<b>TUNNELS, BRIDGES &amp; TERMINALS</b>	<b>May '15</b>	<b>YTD</b>	<b>May '15/'14</b>	<b>YTD '15/'14</b>
Domestic	57,623	280,209	4.2%	4.6%	<b>Eastbound Vehicle Volumes (000's)</b>	<b>10,251</b>	<b>45,473</b>	<b>0.9%</b>	<b>1.2%</b>
International	112,961	555,462	-0.5%	2.3%	George Washington Bridge	4,466	19,606	1.2%	1.7%
<b>Flights</b>	<b>109,322</b>	<b>504,513</b>	<b>3.2%</b>	<b>2.6%</b>	Lincoln Tunnel	1,669	7,594	0.2%	1.0%
Domestic Air Carrier	76,344	359,049	4.0%	4.3%	Holland Tunnel	1,375	6,185	1.0%	-0.2%
International Air Carrier	25,050	115,547	0.0%	0.7%	Bayonne Bridge	192	920	-16.5%	-20.9%
General Aviation	7,928	29,917	5.4%	-0.7%	Goethals Bridge	1,256	5,619	0.6%	4.9%
<b>Paid Parked Cars</b>	<b>694,046</b>	<b>3,162,331</b>	<b>-4.4%</b>	<b>-2.8%</b>	Outerbridge Crossing	1,293	5,549	4.4%	2.4%
<b>Revenue AirTrain Passengers</b>	<b>789,991</b>	<b>3,549,289</b>	<b>11.2%</b>	<b>8.1%</b>	<b>Eastbound Volumes by Vehicle Type (000's)</b>				
					Autos	9,381	41,397	1.2%	1.4%
					Trucks	614	2,885	-2.5%	-1.0%
					Buses	255	1,188	-1.5%	0.7%
<b>FERRY OPERATIONS</b>	<b>May '15</b>	<b>YTD</b>	<b>May '15/'14</b>	<b>YTD '15/'14</b>	<b>PORT AUTHORITY PULSE</b>	<b>Mar '15</b>	<b>Feb '15</b>	<b>Change</b>	
<b>Passengers (000's)</b>					(Seasonally Adjusted, 2010=100)				
New Jersey Ferries	683.5	2,984.4	-3.5%	-2.0%	<b>PA Pulse (Transportation Activity Index)</b>	96.7	97.9	-1.2%	
					<b>PA Freight Pulse</b>	93.0	95.9	-3.0%	
					<b>PA Passenger Pulse</b>	100.5	99.9	0.6%	
<b>PATH</b>	<b>May '15</b>	<b>YTD</b>	<b>May '15/'14</b>	<b>YTD '15/'14</b>	<b>U.S. TRANSPORT. SERVICES INDEX</b>	<b>May '15</b>	<b>Apr '15</b>	<b>Change</b>	
<b>Passengers (000's)</b>	<b>6,452.0</b>	<b>30,205.0</b>	<b>1.5%</b>	<b>1.2%</b>	(Prelim., Seasonally Adj., 2000=100)				
Average Weekday	264.3	1,245.9	3.6%	2.1%	<b>TSI - Combined Index</b>	122.2	121.5	0.6%	
Average Saturday	119.4	533.5	8.9%	-0.1%	<b>TSI - Freight</b>	122.7	121.7	0.8%	
Average Sunday	95.4	400.8	4.3%	0.2%	<b>TSI - Passenger</b>	120.8	120.9	-0.1%	

## TRANSPORTATION FOCUS

Nearly 343,000 interstate commuters work in Manhattan but live west of the Hudson River. This map displays residence location and primary mode of travel for those commuters working in Manhattan. Their choice of travel mode for commuting varies strongly with geography. The most important mode from Hudson County is PATH while the most important modes from Bergen and Rockland counties are bus and auto. The Northeast Corridor through Essex, Middlesex, Union, and Mercer counties has a greater share of commuter rail users, while the Route 9 Corridor through Monmouth County is more dominated by bus commuters.



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