

MONTHLY ECONOMIC INDICATORS

THE PORT AUTHORITY OF NY & NJ

Planning and Regional Development Department

May 2015

UNEMPLOYMENT RATE (percent of labor force)	APR 2015	PREVIOUS 3 MONTHS AVERAGE	APR 2014
U.S. (seasonally adjusted)	5.4	5.6	6.2
U.S. (not seasonally adjusted)	5.1	5.8	5.9

UNEMPLOYMENT RATE (percent of labor force)	MAR 2015	PREVIOUS 3 MONTHS AVERAGE	MAR 2014
REGION (not seasonally adjusted)	6.0	6.2	7.2

NON-FARM EMPLOYMENT (thousands)	APR 2015	PREVIOUS 3 MONTHS AVERAGE	% CHANGE APR 2015 / APR 2014
U.S.	141,367	140,999	2.2
REGION	8,796	8,673	1.2
Construction and Manufacturing	671	648	0.8
Financial / Professional / Business	2,141	2,113	1.3
Government	1,233	1,214	-1.6
All Others	4,751	4,698	2.0

REAL GDP (percentage change)	2015Q1	2014Q4	2014Q3
U.S. (seasonally adjusted at annual rates)	-0.7	2.2	5.0
REGION (Oxford Economics Estimate)	1.2	2.1	6.2

CONSUMER PRICE INDEX (percentage change)	APR '15/ APR '14	APR '15/ MAR '15	MAR '15/ MAR '14
U. S.	-0.1	0.1	0.0
Core	1.8	0.3	1.8
REGION	0.0	0.1	-0.1
Core	1.6	0.1	1.6
Food & Beverages	2.8	0.2	2.6
Housing	0.8	0.1	0.5
Transportation	-8.3	0.9	-8.4
Energy	-21.0	-0.4	-21.9

CONSTRUCTION COST INDEX (percentage change)	APR '15/ APR '14	APR '15/ MAR '15	MAR '15/ MAR '14
U.S. 20-CITY	2.5	0.2	2.8
NY REGION	4.4	0.0	4.5

GASOLINE PRICES (US dollars per gallon)	APR 2015	A month ago	A year ago
U.S. (all types NSA)	\$2.94	\$2.75	\$3.83
New York City (all types NSA)	\$3.18	\$3.03	\$4.15
Newark, NJ (all types NSA)	\$2.74	\$2.62	\$3.69

HOUSING PRICES (12-month percentage change)	MAR '15/ MAR '14	FEB '15/ FEB '14	JAN '15/ JAN '14
U.S. 20-CITY COMPOSITE	5.0	5.0	4.5
NY METROPOLITAN AREA	2.6	2.5	2.0

INTERNATIONAL TRADE (billions of dollars)	MAR 2015	% CHANGE VS. MAR 2014	% CHANGE YTD 2015 VS. 2014
U.S.	330.8	-1.1	-3.1
NY CUSTOMS DISTRICT	38.4	3.5	0.9
NY Imports	24.9	8.2	4.8
NY Exports	13.6	-4.2	-5.5

MANHATTAN COMMERCIAL REAL ESTATE	MAR 2015	FEB 2015	JAN 2015
Availability (%)			
Manhattan Totals	9.8	9.8	9.9
Midtown	9.9	10.1	10.0
Downtown	12.6	12.2	12.4
Average Asking Rent (Class A Office APRket) (\$/square foot)			
Manhattan Totals	76.5	77.7	76.3
Midtown	85.0	85.1	85.0
Downtown	61.6	61.4	60.3

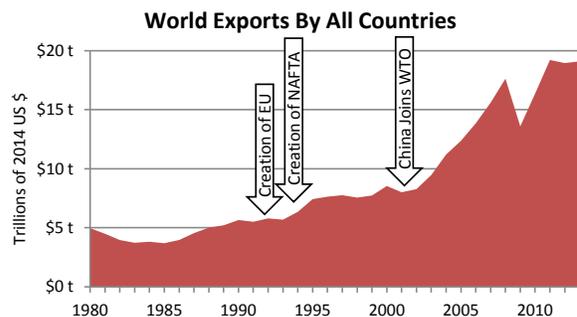
REGIONAL ECONOMIC FORECAST	2015	2016	2017
Real GDP (%)	2.2	2.2	2.3
Nonfarm Employment Growth (%)	1.6	1.1	0.6

SPECIAL FOCUS

Trading Places: A Brief History of Global Export Patterns

With Washington debating the merits of the Trans-Pacific Partnership, a new multilateral trade agreement, we thought it appropriate to provide some background and look at how trade has evolved over the last few decades.

Global trade has grown tremendously in value over the last three decades. Since 1980, the real value of goods exported by all countries has nearly quadrupled, growing from \$5 trillion to \$19 trillion in 2014, as shown in the chart below. Even adjusted for population growth, trade is 2.5 times larger per capita than in 1980. Much of the growth has followed the signing of major trade accords. For example, the implementation of the North American Free Trade Agreement (NAFTA) in 1994 triggered growth in trade between the US, Mexico, and Canada. The creation of the European Union (EU) in 1993 made trade within Europe much easier and simplified trade with the rest of the world. Finally, China's entry into the World Trade Organization (WTO) in 2001 sparked a massive shift in the production of many exports to China.



Inflation-adjusted with US GDP price deflator.
Sources: World Trade Organization; Bureau of Economic Analysis

Within that overall growth, technology has driven shifts in the composition of the world's exports. In 1980, personal computers were known as microcomputers and were solely for hobbyists; today's smart phones and even smart watches have many times the power of those computers. As these devices have infiltrated every segment of society, world exports of office and telecommunications equipment have grown 17-fold, and exports of electronic components have grown 30-fold. Another sector, health care, has become much larger not only in our regional economy but around the world, and trade reflects that growth: world exports of pharmaceuticals are 50 times larger than in 1980.

Production locations of these goods have also shifted dramatically over the past few decades. In 1960, the US was the world's leading exporter, accounting for 15 percent of all goods exports, followed by Germany at 9 percent. Japan's rapid development, first as a powerhouse of automobile production and then electronics, brought its share up dramatically over the next three decades and ate away at US dominance. But Japan's share of world exports then eroded as Hong Kong, Taiwan, South Korea, Singapore, and finally China developed competitive manufacturing capabilities.

China's rise has been most striking, with its share of exports tripling from 4 percent to 12 percent since admission to the WTO. China now accounts for 30 percent of world exports of office equipment, 34 percent of textiles exports, and 17 percent of all machinery. A Bank of America study found that China manufactured 90 percent of the world's computers in 2011, 80 percent of all air conditioners, and 63 percent of all shoes (in 2010), while producing half of the world's pork.

As China has grown, the US share of world exports has dropped below 9 percent, just above Germany's 8 percent. These numbers might suggest that US exports are on the decline; but because the overall "pie" of world trade has grown so rapidly, US goods exports have in fact also grown quite rapidly, almost tripling (in real terms) since 1980. China may be the number one exporter of many goods, but the US retains a strong position in many markets.

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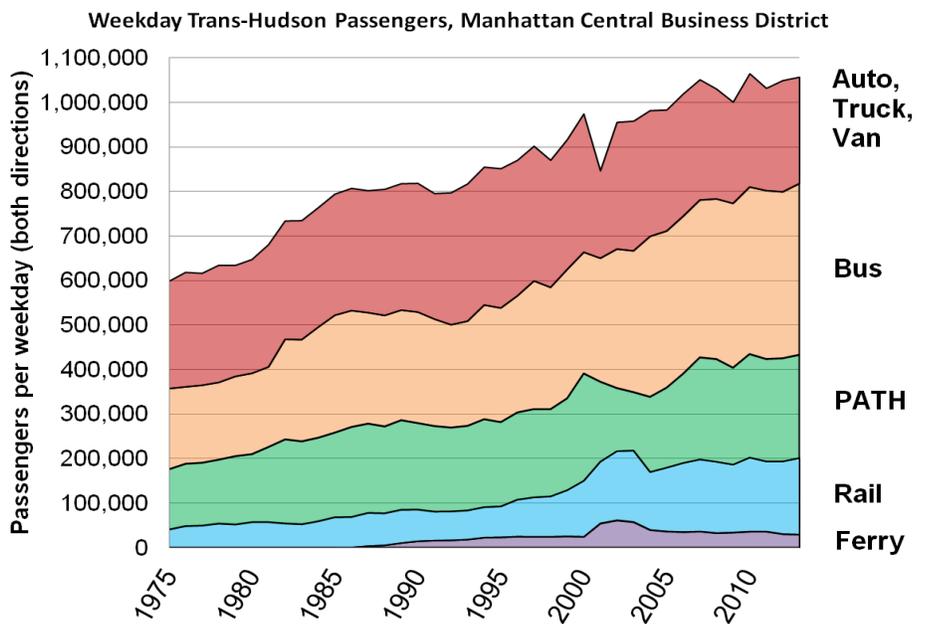
AVIATION	Mar '15	YTD	Mar '15/14	YTD '15/14	PORT COMMERCE	Mar '15	YTD	Mar '15/14	YTD '15/14
Revenue Passengers (000's)	9,831.3	25,959.6	3.7%	4.6%	Port Trade				
John F. Kennedy International Airport (JFK)	4,411.7	11,884.3	6.7%	7.0%	Container Imports (TEUs)	287,777	763,523	23.0%	13.3%
LaGuardia Airport (LGA)	2,330.6	5,994.1	2.8%	3.1%	Container Exports (TEUs)	125,079	331,606	-7.9%	-0.5%
Newark Liberty International Airport (EWR)	3,066.7	8,018.2	0.4%	3.6%	Containers lifted on/off Express Rail	46,148	119,098	10.4%	13.7%
Stewart International Airport (SWF)	22.3	63.1	-14.0%	-12.4%					
Revenue Freight (Short Tons)	178,660	492,208	1.0%	3.5%	TUNNELS, BRIDGES & TERMINALS	Mar '15	YTD	Mar '15/14	YTD '15/14
Domestic	55,888	164,691	1.8%	5.0%	Eastbound Vehicle Volumes (000's)	9,246	25,563	-1.2%	1.3%
International	122,772	327,517	0.6%	2.8%	George Washington Bridge	3,962	10,953	-1.0%	1.9%
Flights	103,144	286,935	-1.2%	2.2%	Lincoln Tunnel	1,582	4,328	0.5%	1.6%
Domestic Air Carrier	73,928	205,697	-1.2%	3.5%	Holland Tunnel	1,258	3,507	-4.3%	-1.4%
International Air Carrier	23,481	65,913	-2.4%	0.0%	Bayonne Bridge	195	560	-21.4%	-19.1%
General Aviation	5,735	15,325	4.6%	-4.8%	Goethals Bridge	1,140	3,144	3.6%	6.5%
Paid Parked Cars	660,071	1,802,204	-1.5%	-2.9%	Outerbridge Crossing	1,109	3,071	-1.2%	1.7%
Revenue AirTrain Passengers	760,203	2,012,303	4.6%	8.7%	Eastbound Volumes by Vehicle Type (000's)				
					Autos	8,398	23,224	-1.5%	1.5%
					Trucks	601	1,658	0.5%	-0.5%
					Buses	247	680	2.7%	1.4%
FERRY OPERATIONS	Mar '15	YTD	Mar '15/14	YTD '15/14	PORT AUTHORITY PULSE	Mar '15	Feb '15	Change	
Passengers (000's)					(Seasonally Adjusted, 2010=100)				
New Jersey Ferries	613.0	1,604.5	2.2%	-1.8%	PA Pulse (Transportation Activity Index)	96.7	97.9	-1.2%	
					PA Freight Pulse	93.0	95.9	-3.0%	
					PA Passenger Pulse	100.5	99.9	0.6%	
PATH	Mar '15	YTD	Mar '15/14	YTD '15/14	U.S. TRANSPORT. SERVICES INDEX	Mar '15	Feb '15	Change	
Passengers (000's)	6,342.0	17,219.0	3.4%	0.4%	(Prelim., Seasonally Adj., 2000=100)				
Average Weekday	250.4	723.2	0.9%	1.5%	TSI - Combined Index	121.8	120.2	1.3%	
Average Saturday	107.7	291.3	-2.7%	-6.5%	TSI - Freight	122.9	120.9	1.7%	
Average Sunday	80.3	215.5	8.6%	-4.4%	TSI - Passenger	118.9	118.3	0.5%	

TRANSPORTATION FOCUS

Over a million passengers a day cross the Hudson River in and out of the Manhattan central business district south of 60th Street, up from about 600,000 in 1975. This has occurred despite no physical increase in lane or track capacity, due to strong growth across all modes of transit, led by buses. Passenger travel through the Holland and Lincoln tunnels by cars, trucks, or vans has returned to about the same level as in 1975.

This month, the Port Authority released a "Profile of the Regional Interstate Transportation Network" that takes a comprehensive look at interstate travel, trends, and infrastructure. You can find the Profile at: <http://www.transhudsonsummit.com/research/>

Source: NYMTC Hub Bound Travel Report



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