MONTHLY ECONOMIC INDICATORS

Planning and Regional Development Department

THE PORT AUTHORITY OF NY & NJ

JUNE 2011

UNEMPLOYMENT RATE (percent of labor force)	MAY 2011	PREVIOUS 3 MOS AVERAGE	MAY 2010
U.S. (seasonally adjusted)	9.1	8.9	9.6
U.S. (not seasonally adjusted)	8.7	9.1	9.3
Region (not seasonally adjusted)	8.0	8.4	8.7

NON-FARM EMPLOYMENT (thousands)	MAY 2011	PREVIOUS 3 MOS AVERAGE	% CHANGE MAY 2011 / MAY 2010
U.S.	131,043	130,770	0.0
REGION	7,822	7,740	-0.2
Construction	263	247	-3.6
Manufacturing	340	340	-3.0
Services	7,219	7,167	0.1

GDP (percentage change in the GDP)	2011Q1	2010Q4	2010Q3
U.S. (seasonally adjusted at annual rates)	1.9	3.1	2.6
REGION (quarterly at annual rate)	3.6	3.4	3.7

CONSUMER PRICES (percentage change in the CPI)	MAY '11 / MAY '10	MAY '11 / APR '11	APR '11 / APR '10
U. S.	3.6	0.5	3.2
Core	1.5	0.2	1.3
REGION	2.9	0.6	2.5
Core	1.6	0.4	1.4
Food & Beverages	2.6	0.3	2.1
Housing	1.2	0.5	0.9
Transportation	12.0	2.3	10.9
Energy	17.2	3.8	13.9

CONSTRUCTION COST (percentage change in the CCI)	JUN '11/ JUN '10	JUN '11 / MAY '11	MAY '11/ MAY '10
U.S. 20-CITY	3.4	0.8	3.1
NY REGION	2.7	2.4	0.4

GASOLINE PRICES (US Dollars Per Gallon)	Current	A month ago	A year ago
U.S. (all types NSA)	$3.68	$3.92	$2.90
New York City (all types NSA)	$4.11	$4.26	$3.15
Newark, NJ (all types NSA)	$3.77	$3.93	$2.79

HOUSING PRICES[1] (12-Month Percentage Change)	APR '11 / APR '10	MAR '11 / MAR '10	FEB '11 / FEB '10
U.S. 20-CITY COMPOSITE	-4.0	-3.8	-3.4
NY METROPOLITAN AREA	-2.8	-3.7	-3.5

INTERNATIONAL TRADE (billions of dollars)	APR 2011	% CHANGE VS. APR 2010	% CHANGE YTD 2011 VS. 2010
U.S.	301.9	18.4	7.4
NY CUSTOMS DISTRICT	34.7	24.6	11.9
NY Imports	21.4	25.6	21.4
NY Exports	13.3	22.9	24.7

MANHATTAN COMMERCIAL REAL ESTATE (Class A Office Market)	MAY 2011	APRIL 2011	MAY 2010
Vacancy Rate			
OVERALL	10.9	11.0	12.2
Midtown	11.3	11.4	13.0
Downtown	10.6	10.7	10.7
Average Asking Rent ($/square foot)			
OVERALL	60.2	59.7	58.7
Midtown	67.0	66.4	64.2
Downtown	41.1	41.1	41.8

REGIONAL ECONOMIC FORECASTS[2]	2011	2012	2013
CPI percent change, NYC MSA	1.8	2.2	2.3
Employment change (000's), Region	75	127	133

[1] Since the peak in June 2006, housing prices have fallen by 32.7 percent nationally and by 23.9 percent in the New York Region

[2] For optimistic and pessimistic alternative forecasts please contact the Planning and Regional Development Department.

Sources available upon request.

SPECIAL FOCUS

The Uneven Employment Recovery

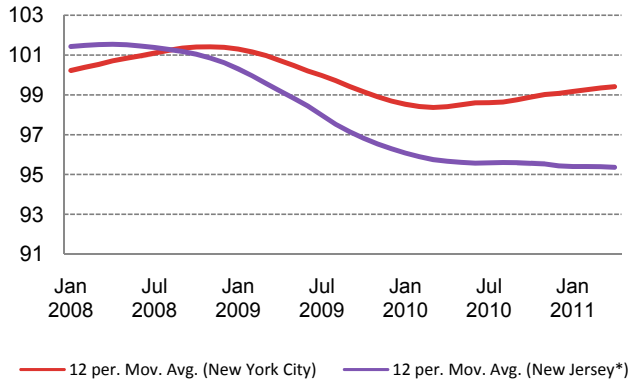
Economic recovery in the Port Authority region began in late 2009, and in terms of employment it has recovered faster than the nation as a whole. Yet this recovery has been gradual and not all counties of the region have benefited equally. Through the first quarter of 2011, the region has added a net of 64,000 jobs, about one third of the jobs lost in 2009. New York City is at the forefront of the recovery, adding roughly 51,000 jobs, or 80 percent of the total job increase in the region.

In addition to the regional difference, there have also been significant variations in recovery by industry. Among all the region's industries, education & health services and leisure & hospitality are the two major sources of job creation. In fact, these sectors added jobs in 2009 as the economy slid into recession. The financial sector, driving force of the New York City economy, began to expand employment after shedding 46,000 jobs during 2008 and 2009 and hitting bottom in January 2010. The manufacturing and construction sectors, however, have continued to lose jobs, continuing a trend that was in place even before the start of the economic crisis. Factors like globalization and competition from emerging markets have led to the long-term shrinking of the region's manufacturing industry. In contrast with the job growth in the private sector, public sector job losses have mounted as governments at all levels contended with budgetary pressures.

This uneven pattern of recovery across economic sectors explains part of the uneven regional distribution of job growth. New York City has recovered much more strongly while counties west of the Hudson are still losing ground. Education & health services and leisure & hospitality, the most resilient sectors during the recession, are also the biggest sectors in New York City, accounting for roughly 30 percent of all jobs. These two industries account for a smaller share of jobs in New Jersey, while the struggling manufacturing and construction sectors account for a larger share there. Their respective growth combined with the resilience of New York's financial and professional & business services sectors explains the most striking difference between the two parts of the region.

Overall, New York's reliance on its financial and professional & business services sectors has translated into faster job growth over the last year. Yet this high concentration in a small number of sectors has made it vulnerable to external shocks. Without the Federal bailout of the banks and the Federal Reserve's accommodative policies, New York would be in much more dire straits today.

Index of Total Nonfarm Employment
(Jan 2008=100)



Source: BLS