

MONTHLY ECONOMIC INDICATORS

Planning Department

THE PORT AUTHORITY OF NY & NJ

DECEMBER 2009

INDICATOR	SEPTEMBER 2009	OCTOBER 2009	NOVEMBER 2009
NON-FARM EMPLOYMENT (YTD average - in thousands)			
U.S.	131,978.4	131,994.9	132,015.6
Percentage change ¹	-3.8	-3.8	-3.8
REGION	7,857.8	7,859.7	7,863.2
Percentage change ¹	-2.3	-2.3	-2.3
Construction	299.4	299.4	299.1
Percentage change ¹	-9.1	-9.3	-9.3
Manufacturing	378.9	378.7	378.4
Percentage change ¹	-8.0	-7.9	-7.7
Services	7,179.5	7,181.5	7,185.7
Percentage change ¹	-1.7	-1.7	-1.7
CONSUMER PRICES (YTD percentage change ¹ in the CPI)			
U. S.	-0.9	-0.9	-0.6
REGION	0.1	0.1	0.3
Food & Beverages	3.1	2.8	2.5
Housing	1.0	0.9	0.9
Transportation	-9.5	-8.8	-7.5
Medical Care	0.6	0.7	0.8
All others	3.0	3.0	3.0
CONSTRUCTION COST (YTD percentage change ¹ in the CCI)			
U.S. 20-CITY	4.2	3.7	3.3
NY REGION	2.4	2.1	1.8
INTERNATIONAL TRADE (YTD Total in billions of current dollars)			
U.S.	1885.5	2132.4	NA
Percentage change ¹	-28.3	-27.2	NA
NY CUSTOMS DISTRICT	208.8	236.2	NA
Percentage change ¹	-28.7	-27.3	NA
NY Imports	128.1	144.9	NA
Percentage change ¹	-29.0	-27.8	NA
NY Exports	80.7	91.3	NA
Percentage change ¹	-28.2	-26.5	NA
UNEMPLOYMENT RATE (Percentage of labor force unemployed)			
U.S. ² (seasonally adjusted)	9.8	10.2	10.0
U.S. (not seasonally adjusted)	9.5	9.5	9.4
Region (not seasonally adjusted)	9.3	9.2	8.9
MANHATTAN COMMERCIAL REAL ESTATE (Class A Office Market)			
Vacancy Rate			
OVERALL	12.0	12.1	12.2
Midtown	13.7	13.8	13.7
Downtown	8.2	8.2	8.2
Average Asking Rent (\$/square foot)			
OVERALL	63.9	63.1	62.4
Midtown	68.4	67.3	66.8
Downtown	45.7	45.6	45.1
HOUSING PRICES³ (12-month Percentage Change)			
U.S. 20-CITY COMPOSITE	-9.4	-7.6	NA
NY METROPOLITAN AREA	-9.1	-7.9	NA

¹ Percentage Change 2009 / 2008.

² The U.S. unemployment rate was 10.0 percent in December.

³ Since the peak in June 2006, housing prices have fallen by 29.5 percent nationally and by 19.5 percent in the New York Region

Sources:

Employment and Unemployment — New York and New Jersey Departments of Labor and U.S. Bureau of Labor and Statistics

Consumer Price Index — U.S. Bureau of Labor and Statistics

Construction Cost — Engineering News-Record

International Trade — Global Trade Informational Services Inc.

Commercial Real Estate — Colliers ABR

Housing Prices — The Case-Shiller Price Index, which tracks the change in prices of a grouping of the same homes yearly

For Maps, U.S. Bureau of Labor and Statistics

SPECIAL FOCUS

Recession Claims 142,000 Regional Office-Using Jobs

The New York-New Jersey metropolitan region has shed 142,000 of its highest-paying jobs since the start of the regional recession, specifically those in the office-using sectors of Information, Financial, and Professional and Business Services. The impact on these industries reflects the nature of this particular recession, which has been driven largely by the financial crisis. Regional losses in these three sectors have accounted for 58 percent of the 244,000 net jobs lost as of November 2009. The loss in these sectors has a disproportionate affect on regional wages. While office-using jobs represent 28 percent of regional non-farm jobs, they account for 47 percent of regional wages. This is strikingly different from the structure of the national economy where 26 percent of total jobs are office-using but account for only 29 percent of wages earned. At the national level, 30 percent, or 1.9 million, of the net jobs lost to date during the recession were from the office-using sectors.

Within the NY-NJ region, employment in Professional and Business Services has declined by 66,000 jobs, accounting for 27 percent of the regional job loss; jobs in Financial Activities have declined by 57,000, or 23 percent; and jobs in Information Services have dropped off by 20,000, or 8 percent. Fully 50 percent of the regional decline in office-using jobs took place in Manhattan. Kings and Hudson Counties were also hit especially hard. A recovery in office-using industries has yet to occur, and the prospects for 2010 suggest continued erosion. Moody's Economy.com forecasts that regional office employment will bottom out in 2011 and then rise very gradually, only reaching pre-recession levels by 2017. Nationally, office employment appears to be rebounding much more strongly; Economy.com predicts full recovery by the end of 2012. For both the region and the nation, Economy.com also predicts that total non-farm employment will be back at pre-recession levels by the end of 2012. This suggests a potential shift in sources of future regional job growth away from the office-using sectors.

OFFICE EMPLOYMENT

Percentage Change 2009Q3/2008Q3

