

# MONTHLY ECONOMIC INDICATORS

Planning and Regional Development Department

THE PORT AUTHORITY OF NY & NJ

MAY 2012

UNEMPLOYMENT RATE (percent of labor force)	APR 2012	PREVIOUS 3 MONTHS AVERAGE	APR 2011
U.S. (seasonally adjusted)	8.1	8.3	9.0
U.S. (not seasonally adjusted)	7.7	8.6	8.7
REGION (not seasonally adjusted)	8.3	9.1	8.0

NON-FARM EMPLOYMENT (thousands)	APR 2012	PREVIOUS 3 MONTHS AVERAGE	% CHANGE APR 2012/ APR 2011
U.S.	132,989	132,685	1.4
REGION	8,190	8,049	2.1
Construction and Manufacturing	606	603	0.0
FIRE / Professional / Business	2,029	2,014	4.3
Government	1,169	1,161	-0.9
All Others	4,296	4,270	2.3

REAL GDP (percentage change)	2012Q1	2011Q4	2011Q3
U.S. (seasonally adjusted at annual rates)	1.9	3.0	1.8
REGION (quarterly at annual rate)	4.3	3.9	3.2

CONSUMER PRICE INDEX (percentage change)	APR '12 / APR '11	APR '12 / MAR '12	MAR '12 / MAR '11
U. S.	2.3	0.0	2.9
Core	2.3	0.2	2.3
REGION	2.4	0.2	2.6
Core	2.5	0.1	2.5
Food & Beverages	3.5	0.2	3.3
Housing	1.2	-0.1	1.4
Transportation	3.4	1.3	4.4
Energy	-0.9	0.9	1.3

CONSTRUCTION COST INDEX (percentage change)	APR '12 / APR '11	APR '12 / APR '12	APR '12 / APR '11
U.S. 20-CITY	2.7	0.1	2.2
NY REGION	2.8	0.0	2.9

GASOLINE PRICES (US dollars per gallon)	APR 2012	A month ago	A year ago
U.S. (all types NSA)	\$3.78	\$3.95	\$3.92
New York City (all types NSA)	\$4.12	\$4.32	\$4.26
Newark, NJ (all types NSA)	\$3.72	\$3.90	\$3.93

HOUSING PRICES <sup>1</sup> (12-month percentage change)	MAR '12 / MAR '11	FEB '12 / FEB '11	JAN '12 / JAN '11
U.S. 20-CITY COMPOSITE	-2.6	-3.5	-3.9
NY METROPOLITAN AREA	-2.8	-3.2	-3.1

INTERNATIONAL TRADE (billions of dollars)	APR 2012	% CHANGE VS. APR 2011	% CHANGE YTD 2012 VS. 2011
U.S.	337.1	6.4	8.6
NY CUSTOMS DISTRICT	37.8	4.7	5.3
NY Imports	22.6	6.3	6.5
NY Exports	15.2	2.3	3.6

MANHATTAN COMMERCIAL REAL ESTATE (class A office APRket)	APR 2012	MAR 2012	APR 2011
Vacancy Rate			
OVERALL	9.6	9.8	11.0
Midtown	10.4	10.5	11.4
Downtown	8.5	8.9	10.7
Average Asking Rent (\$/square foot)			
OVERALL	65.8	65.2	59.7
Midtown	72.5	72.5	66.4
Downtown	42.7	41.9	41.1

REGIONAL ECONOMIC FORECASTS <sup>1</sup>	2012	2013	2014
Real GDP (%)	1.7	2.1	3.2
Nonfarm Employment Growth	1.0	1.4	1.8

<sup>1</sup> For optimistic and pessimistic alternative forecasts please contact the Planning and Regional Development Department.

Sources available upon request.

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## SPECIAL FOCUS

### The Region's Diverse Population

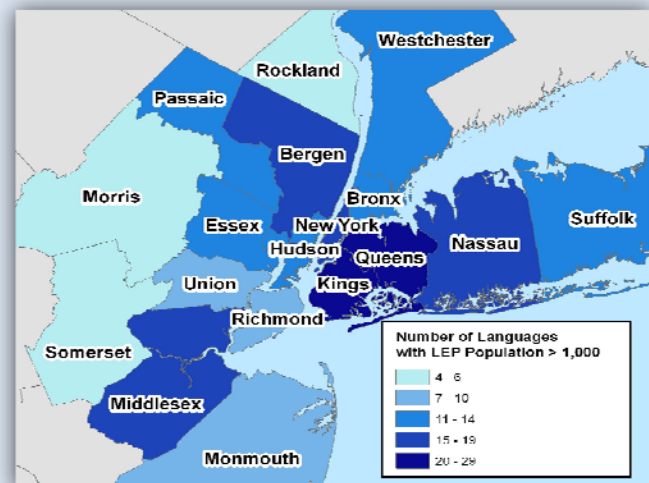
The United States is a country unique in its racial and ethnic diversity; nowhere is this more evident than in the New York-New Jersey metropolitan region. To comply with Federal Title VI requirements, the Planning and Regional Development Department has compiled statistics on diversity in the Port Authority's 18-county region. The report relies on US Census data on ethnicity, race, language, and poverty.

The Census asks individuals about Hispanic or Latino ethnicity, and then asks them to select one or more racial backgrounds. Respondents can therefore choose Hispanic ethnicity and Black/African-American (for example) as race. Nearly one quarter (24 percent) of the region's population identifies as Hispanic. In terms of race, African-Americans account for over 18 percent of the total population, followed by those of Asian descent, at 10 percent.

Racial backgrounds vary significantly across counties. Queens has a higher fraction of Asian respondents than any other county, at 23 percent, with Middlesex a close second at 21 percent. Essex County has the highest concentration of those of African American descent, at almost 41 percent. The Bronx leads the region in Hispanic ethnicity (54 percent), American Indian/Alaska Native (1.3 percent), and Native Hawaiian/Pacific Islander (.09 percent).

The region's diversity is also seen in the number of languages spoken. Eighteen percent of the population over the age of 5 has limited English proficiency (LEP), twice the national level. Over half of that group (53 percent) speaks Spanish, but the region includes speakers of all 39 language choices in the ACS survey – from Chinese and Russian to Navajo and Hmong. Queens alone has 29 different languages or language groups spoken by at least 1,000 speakers. Kings County has 24 such language groups, followed by Nassau with 19 and Middlesex with 16. Spanish is the number one language among limited-English speakers in every county in the region, but the mix of the other top languages varies widely. In Rockland, Yiddish is the second most common language among LEP speakers (25 percent of LEP speakers); in Bergen, Korean is second (22 percent); Nassau and Suffolk have Italian in second (7.4 percent and 4.2 percent respectively); and Hudson has Arabic in second (3.1 percent).

Counties with high levels of ethnic diversity often have high poverty rates, but ethnic diversity also gives the region a competitive advantage by attracting talent from around the world. As a whole, 13.1 percent of the region's population was below the poverty line in 2010, close to the 13.8 percent nationally. Poverty is concentrated in six counties, with 28 percent of the Bronx and 22 percent of Kings living in poverty, and New York, Hudson, Passaic, and Essex counties also above the regional average. Yet diversity does not always coincide with high poverty: Queens, for example, matches the poverty rate for the region. In fact, the region's diversity gives us a leg up in communicating with the rest of the world and may facilitate the conduct of our business around the globe.



Source: US Census 2010; 2010 American Community Survey 5-Year Estimates



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AVIATION	Mar '12	Mar '11	Change
<b>Revenue Passengers (000's)</b>	<b>9,113.0</b>	<b>8,693.8</b>	<b>4.8%</b>
John F. Kennedy International Airport (JFK)	4,054.7	3,854.6	5.2%
LaGuardia Airport (LGA)	2,077.7	2,008.1	3.5%
Newark Liberty International Airport (EWR)	2,945.3	2,796.2	5.3%
Stewart International Airport (SWF)	35.3	34.9	1.1%
<b>Revenue Freight (Short Tons)</b>	<b>187,224</b>	<b>207,557</b>	<b>-9.8%</b>
Domestic	68,830	74,956	-8.2%
International	118,394	132,600	-10.7%
<b>Flights</b>	<b>107,504</b>	<b>107,446</b>	<b>0.1%</b>
Domestic Air Carrier	78,650	78,598	0.1%
International Air Carrier	22,883	23,146	-1.1%
General Aviation	5,971	5,702	4.7%
<b>Paid Parked Cars</b>	<b>730,340</b>	<b>720,608</b>	<b>1.4%</b>
<b>Revenue AirTrain Passengers</b>	<b>600,905</b>	<b>603,028</b>	<b>-0.4%</b>
FERRY OPERATIONS	Mar '12	Mar '11	Change
<b>Passengers (000's)</b>			
New Jersey Ferries	659.7	671.4	-1.7%
PATH	Mar '12	Mar '11	Change
<b>Passengers (000's)</b>	<b>6,838.0</b>	<b>6,745.0</b>	<b>1.4%</b>
Average Weekday	264.6	255.0	3.8%
Average Saturday	130.0	136.6	-4.9%
Average Sunday	91.9	83.5	10.1%
PORT COMMERCE	Mar '12	Mar '11	Change
<b>Port Trade</b>			
Container Imports (TEUs)	208,999	207,973	0.5%
Container Exports (TEUs)	143,471	153,959	-6.8%
Containers lifted on/off Express Rail	42,505	39,112	8.7%
TUNNELS, BRIDGES & TERMINALS	Mar '12	Mar '11	Change
<b>Eastbound Vehicle Volumes (000's)</b>	<b>9,815</b>	<b>10,048</b>	<b>-2.3%</b>
George Washington Bridge	4,125	4,221	-2.3%
Lincoln Tunnel	1,634	1,711	-4.5%
Holland Tunnel	1,409	1,436	-1.9%
Bayonne Bridge	300	303	-0.9%
Goethals Bridge	1,149	1,168	-1.7%
Outerbridge Crossing	1,198	1,209	-0.9%
<b>Eastbound Volumes by Vehicle Type (000's)</b>			
Autos	8,922	9,115	-2.1%
Trucks	639	665	-3.9%
Buses	252	268	-6.0%
PORT AUTHORITY PULSE	Mar '12	Feb '12	Change
(Seasonally Adjusted, 2010=100)			
<b>PA Pulse (Transportation Activity Index)</b>	<b>98.8</b>	<b>99.6</b>	<b>-0.8%</b>
<b>PA Freight Pulse</b>	<b>95.6</b>	<b>98.1</b>	<b>-2.5%</b>
<b>PA Passenger Pulse</b>	<b>101.9</b>	<b>101.0</b>	<b>0.9%</b>
U.S. TRANSPORT. SERVICES INDEX	Mar '12	Feb '12	Change
(Prelim., Seasonally Adj., 2000=100)			
<b>TSI - Combined Index</b>	<b>111.3</b>	<b>111.8</b>	<b>-0.4%</b>
<b>TSI - Freight</b>	<b>109.4</b>	<b>110.3</b>	<b>-0.8%</b>
<b>TSI - Passenger</b>	<b>116.7</b>	<b>116.1</b>	<b>0.5%</b>

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## TRANSPORTATION FOCUS

### FAF<sup>3</sup> Snapshot of International Freight, 2010

As a follow-up to February's Transportation Focus, this month we look at the origins and destinations of international cargo flowing through the New York-New Jersey region's marine and air ports, as estimated by the US Department of Transportation's FAF<sup>3</sup> model for 2010. FAF<sup>3</sup> relies on data from the 2007 Commodity Flow Survey and other sources to develop detailed estimates of annual tonnage and dollar value of freight flows by commodity type, origin, destination, and the transport modes used for the trip. For example, for imports through our port, FAF<sup>3</sup> estimates the foreign origin of cargo and the location of the domestic recipient of the goods. For exports leaving through our port, FAF<sup>3</sup> estimates the location of the domestic shipper and the foreign destination.

FAF<sup>3</sup> estimates that international trade accounts for more than one-fifth (22 percent) of all cargo tonnage moved in the 26-county NY-NJ metropolitan region. Import-related activity accounts for about 13 percent of the tons moved, and export-related activity for the remaining 9 percent. Trade through the region's airports accounts for 43 percent by value of imports and 59 percent by value of exports, but its share on a tonnage basis is very small (1 percent of imports and 2 percent of exports). The table below shows the domestic distribution pattern of international maritime freight through the Port of NY & NJ, by share of tons. More than 75 percent of the import flows (by weight) through the Port has a regional destination. In contrast, for export flows using the Port as the exit port, 57 percent originates within the local region. Another 7 percent originates in the Mid-Atlantic states but outside the metropolitan region, 4 percent from New England, 14 percent from other locations east of Mississippi River, and 18 percent from west of the Mississippi.

Share of tons by inland locations	Import	Export
NY/NJ Metropolitan Region	76%	57%
Other Mid-Atlantic (NJ, NY, PA)	4%	7%
New England	3%	4%
Other East of Mississippi River	10%	14%
West of Mississippi River	7%	18%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Several findings and observations can be drawn from this profile. First, nearly 80% of the cargo arriving at the Port of NY & NJ stays in the region. Even though the definition of the region is extensive, i.e. 26 counties, this still speaks to the fact that the share of discretionary cargo is relatively small and that the population concentrated in the metropolitan area is a significant incentive for shippers to bring their cargo here. Second, while waste and scrap remains the largest category of exports from all regions, the data reflects the Port's large (and growing) role as a hub for exports of plastics, machinery, motor vehicles, refined petroleum products, paper products, and other goods from all over the country. Overall, freight flows in the region are the result of regional and global supply lines and it will be interesting to see how changes in the economy and in transportation infrastructure affect those in the years to come.

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