

MONTHLY ECONOMIC INDICATORS

Planning and Regional Development Department

THE PORT AUTHORITY OF NY & NJ

April 2014

UNEMPLOYMENT RATE (percent of labor force)	MAR 2014	PREVIOUS 3 MONTHS AVERAGE	MAR 2013
U.S. (seasonally adjusted)	6.7	7.1	7.5
U.S. (not seasonally adjusted)	6.8	7.3	7.6
UNEMPLOYMENT RATE (percent of labor force)	FEB 2014	PREVIOUS 3 MONTHS AVERAGE	FEB 2013
REGION (not seasonally adjusted)	7.6	7.2	8.6
NON-FARM EMPLOYMENT (thousands)	MAR 2014	PREVIOUS 3 MONTHS AVERAGE	% CHANGE MAR 2014 / MAR 2013
U.S.	137,928	136,797	1.7
REGION	8,386	8,356	0.8
Construction and Manufacturing	632	633	-0.5
FIRE / Professional / Business	2,060	2,060	0.6
Government	1,193	1,186	-2.7
All Others	4,502	4,478	2.0
REAL GDP (percentage change)	2014Q1	2013Q4	2013Q3
U.S. (seasonally adjusted at annual rates)	0.1	2.6	4.1
REGION (Oxford Economics Estimate)	3.0	2.6	1.5
CONSUMER PRICE INDEX (percentage change)	MAR '14/ MAR '13	MAR '14/ FEB '14	FEB '14/ FEB '13
U. S.	1.5	0.2	1.1
Core	1.6	0.2	1.6
REGION	1.3	0.4	1.1
Core	1.4	0.3	1.4
Food & Beverages	1.1	0.4	0.7
Housing	2.6	0.2	2.3
Transportation	-1.0	0.6	-0.9
Energy	1.2	1.3	-1.5
CONSTRUCTION COST INDEX (percentage change)	MAR '14/ MAR '13	MAR '14/ FEB '14	FEB '14/ FEB '13
U.S. 20-CITY	2.6	2.6	2.8
NY REGION	7.5	0.0	7.5
GASOLINE PRICES (US dollars per gallon)	MAR 2014	A month ago	A year ago
U.S. (all types NSA)	\$3.87	\$3.73	\$3.67
New York City (all types NSA)	\$4.17	\$4.00	\$3.97
Newark, NJ (all types NSA)	\$3.74	\$3.58	\$3.53
HOUSING PRICES (12-month percentage change)	FEB '14/ FEB '13	JAN '14/ JAN '13	DEC '13/ DEC '12
U.S. 20-CITY COMPOSITE	12.8	13.2	13.4
NY METROPOLITAN AREA	5.8	6.6	6.3
INTERNATIONAL TRADE (billions of dollars)	FEB 2014	% CHANGE VS. FEB 2013	% CHANGE YTD 2014 VS FEB 2013
U.S.	294.3	0.3	0.8
NY CUSTOMS DISTRICT	31.6	2.2	1.6
NY Imports	19.2	7.2	5.5
NY Exports	12.4	-4.7	-4.2
MANHATTAN COMMERCIAL REAL ESTATE	MAR 2014	FEB 2014	JAN 2014
Availability (%)			
Manhattan Totals	10.4	10.7	10.8
Midtown	10.8	11.0	11.1
Downtown	12.1	12.7	13.3
Average Asking Rent (Class A Office APRket) (\$/square foot)			
Manhattan Totals	73.8	73.5	72.8
Midtown	82.1	81.6	80.9
Downtown	55.4	55.3	55.0
REGIONAL ECONOMIC FORECAST	2014	2015	2016
Real GDP (%)	2.7	2.7	2.5
Nonfarm Employment Growth (%)	1.4	1.7	1.6

SPECIAL FOCUS

The Need for a Regional Goods Movement Program

The New York-New Jersey metropolitan region supports a population of 18.1 million individuals, all of whom rely on the region's goods movement system to fulfill their daily needs. From food to furniture and fuel to phones, more than 1 billion tons of goods are moved each year throughout the region, utilizing the regional networks of highways, airports, railways, and marine ports. The distribution of these goods generate vital economic benefits as they move within and through region, and require an immense support system of ports, warehouses, and transportation infrastructure. In northern New Jersey alone, there is more than 800 million square feet of warehousing and distribution center space. Moving goods quickly, reliably, and economically, is a complex task further complicated by the region's congestion, aging infrastructure, and jurisdictional boundaries.

In a 54-county region spanning parts of New York, New Jersey, Connecticut and Pennsylvania, approximately 909 million tons (90.4%) of surface tonnage is moved by truck, 80 million tons (8.0%) by carload rail, and 17 million tons (1.6%) by intermodal rail. The New York-New Jersey region has the highest total annual costs of congestion in the U.S., valued at \$12 billion. In 2012, congestion added \$2.5 billion to the cost of delivering goods to consumers and businesses. In addition to the high volume of freight traveling through the region, the network capacity of transportation systems is shared with 8 million daily commuters on both roads and rail.

Similarly, congestion at the port facility itself has become increasingly problematic as the volume of freight has increased; in 2012, approximately 80,000 metric tons of cargo moved throughout the Ports of New York and New Jersey. The volume of marine system freight moving within and through the bi-state region has been increasing rapidly, and is expected to grow 44 percent by 2040. In light of this growth, the adoption of integrated technologies and use of real-time data to better manage available capacity is critical to remaining competitive.

Similar to many metro-regions, the New York-New Jersey region is contending with aging infrastructure, which poses significant costs in maintenance and repair and requires investment in new capital projects. The Port Authority's vehicular crossings—the Holland Tunnel, Lincoln Tunnel, George Washington Bridge, and Staten Island Bridges—were all completed prior to 1940 and designed for smaller, lighter vehicles. As approximately 86% of freight within the region travels by truck, the impact of freight on the roadway network is significant physically and financially. Major capital investments to modernize infrastructure—such as raising the Bayonne Bridge to allow larger ships to access Port Newark and Elizabeth—will continue to be vital for agencies across the region.

In addition to congestion and aging infrastructure, the historical development of the New York-New Jersey region created many public agencies tasked with providing transportation services and infrastructure. Over a dozen public agencies oversee passenger and freight travel throughout the region. This adds to the complexity of logistics and potential inconsistencies in regulations, restrictions, and information provided to the freight industry.

In recognition of these challenges, the New Jersey Department of Transportation, the New York State Department of Transportation, and the Port Authority have partnered to create a comprehensive regional freight plan, the Goods Movement Action Program (G-MAP). These Partner Agencies have the greatest accountability for managing freight movement in the region, in recognition that a safe, efficient, and sustainable goods movement system is a shared challenge that transcends jurisdictional boundaries and affects the entire region. G-MAP aims to support and enhance the metropolitan region's position as a global center—a hub of commerce, culture, finance, and trade—through strategic goods movement initiatives. We look forward to discussing the G-MAP planning processes and key initiatives in a future MEI newsletter.

MONTHLY ECONOMIC INDICATORS

Planning and Regional Development Department

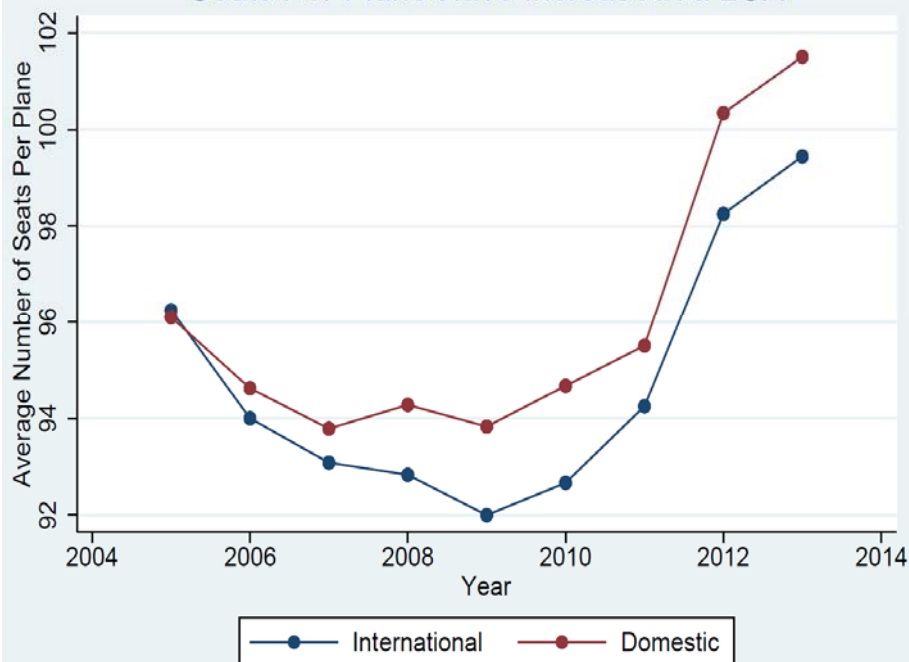
THE PORT AUTHORITY OF NY & NJ

April 2014

AVIATION				PORT COMMERCE			
	Feb '14	Feb '13	Change		Feb '14	Feb '13	Change
Revenue Passengers (000's)				Port Trade			
John F. Kennedy International Airport (JFK)	3,235.6	3,181.6	1.7%	Container Imports (TEUs)	207,699	202,521	2.6%
LaGuardia Airport (LGA)	1,685.4	1,780.3	-5.3%	Container Exports (TEUs)	92,800	119,052	-22.1%
Newark Liberty International Airport (EWR)	2,221.8	2,276.2	-2.4%	Containers lifted on/off Express Rail	30,347	30,056	1.0%
Stewart International Airport (SWF)	21.4	22.5	-5.2%	TUNNELS, BRIDGES & TERMINALS			
Revenue Freight (Short Tons)				Eastbound Vehicle Volumes (000's)			
Domestic	47,489	54,211	-12.4%	George Washington Bridge	3,173	3,426	-7.4%
International	95,887	96,758	-0.9%	Lincoln Tunnel	1,277	1,325	-3.6%
Flights				Holland Tunnel	1,062	1,158	-8.3%
Domestic Air Carrier	58,919	64,463	-8.6%	Bayonne Bridge	207	249	-16.9%
International Air Carrier	19,659	20,134	-2.4%	Goethals Bridge	877	948	-7.5%
General Aviation	5,268	5,125	2.8%	Outerbridge Crossing	900	1,001	-10.1%
Paid Parked Cars				Eastbound Volumes by Vehicle Type (000's)			
Revenue AirTrain Passengers				Autos	6,785	7,353	-7.7%
	531,692	578,341	-8.1%	Trucks	505	544	-7.2%
	565,591	501,855	12.7%	Buses	205	210	-2.6%
FERRY OPERATIONS				PORT AUTHORITY PULSE			
	Feb '14	Feb '13	Change	(Seasonally Adjusted, 2010=100)			
Passengers (000's)				PA Pulse (Transportation Activity Index)	na	na	
New Jersey Ferries	488.5	519.9	-6.1%	PA Freight Pulse	na	na	
PATH				PA Passenger Pulse	na	na	
	Feb '14	Feb '13	Change	U.S. TRANSPORT. SERVICES INDEX			
Passengers (000's)				(Prelim., Seasonally Adj., 2000=100)			
Average Weekday	233.0	233.6	-0.3%	TSI - Combined Index	116.3	115.4	0.8%
Average Saturday	109.7	83.7	31.1%	TSI - Freight	115.2	113.9	1.2%
Average Sunday	78.6	69.4	13.3%	TSI - Passenger	118.6	118.6	0.1%

TRANSPORTATION FOCUS

Seats Per Plane Have Increased At LGA



LaGuardia, JFK, and Newark Liberty airports are slot controlled, meaning that the number of slots for takeoff and landings are controlled by the FAA to manage congestion. As demand for air travel to and from the region has soared over the last few years, the limits on landings and takeoffs have remained steady. These restrictions can potentially limit the number of passengers that an airport can serve if carriers utilize a disproportionate number of lower gauge aircrafts (aircrafts with 50-seats or less). However, the growth in throughput at LaGuardia since 2012 shows that carriers' strategic business decisions can have a significant impact on airport throughput, even with the current slot controls in place.

In 2012, the dominant carrier at LaGuardia changed from US Airways to Delta after the two carriers exchanged a number slots. Prior to this transition, the average number of seats per plane at LaGuardia hovered in the mid to low 90's because US Airways used large numbers of small aircrafts to serve communities in upstate New York and other smaller cities. By the end of 2013, the average number of seats per plane rose to more than 100 as Delta introduced larger planes to serve larger cities and transformed LaGuardia into a mini-hub. This transformation partly explains how LaGuardia has been able to service record numbers of passengers despite significant slot controls that restrict the number of flights at the airport.

Port Authority of NY & NJ
Planning & Regional Development Department
233 Park Avenue South, 11th Floor
New York, NY 10003

Alexander Heil, Ph.D., Chief Economist; aheil@panynj.gov
Graciela Ramirez, Input-Output Modeling & Regional Economics
Mark Seaman, Cost-Benefit Analysis & World Economy
Andrew Liebowitz, Forecasting
Huating Shi, Ph.D., Transportation Indicators Page
Bradley Egbert, Forecasting
Xiao Wang, Ph.D., Regional Economics
Christine Orthmeyer, Leadership Fellow