

# Economic Notes



New York City Office of the Comptroller

William C. Thompson, Jr., Comptroller

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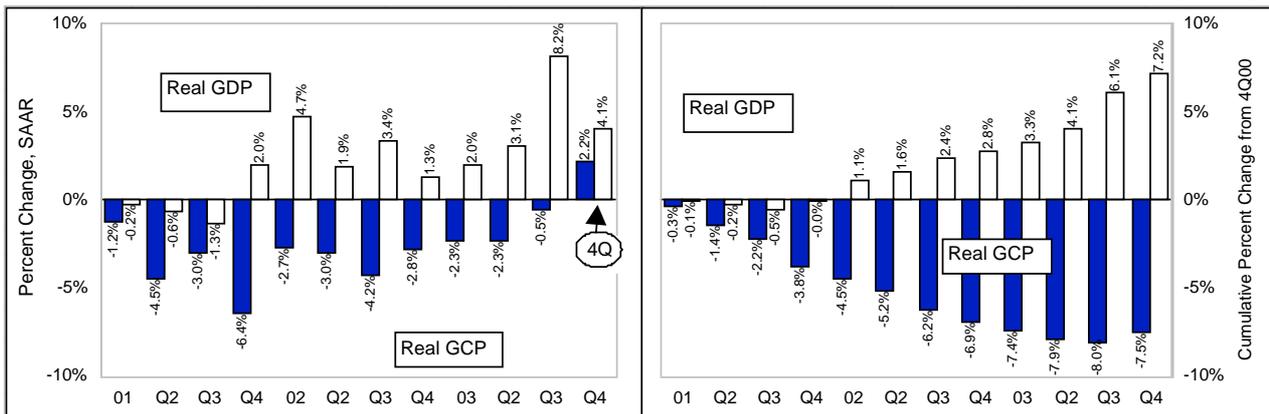
March 2004

## NYC Adds 4,300 Jobs in the Quarter

# 4Q03 IS BEST QUARTER IN 3½ YEARS

- **The City's economy in 4Q03 had its highest growth rate since 2Q00.** Real gross City product (GCP) increased at an annualized 4Q03 rate of 2.2 percent. This followed a 3Q03 decline of 0.5 percent (revised following downward revisions in City jobs data). Nationally, real gross domestic product (GDP) grew by 4.1 percent in 4Q03, compared with 8.2 percent in 3Q03, as shown in the Summary Chart. (For the full year 2003, the City's economy remained in recession as GCP declined 2.2 percent. But GDP rose 3.1 percent. The City's decline was smaller than in 2002 and the nation's rise was larger than in 2002. The key numbers are provided in the Summary Table on the next page.)

**Summary Chart. Real GDP Has Grown Since 4Q01, But Real GCP Resumed Growth Only in 4Q03**



Sources: See Chart 1. Percent changes are quarter-to-quarter, SAAR (Seasonally Adjusted Annualized Rate). GDP = Real U.S. Gross Domestic Product. GCP = Real Gross [New York] City Product. The widely used definition of a recession is two or more consecutive quarters of negative real growth in gross product. The U.S. recession officially lasted from March to November 2001.

- **Payroll jobs increased.** In 4Q03 the City added 4,300 jobs to the quarter before (seasonally adjusted), the first quarterly increase since a rise of 600 jobs in 4Q02. Private firms added 1,900 jobs and the public sector added 2,400 jobs. Year-over-year (i.e., compared with 4Q02), NYC jobs (not seasonally adjusted) fell 1.6 percent in 4Q03, the fourth-weakest performance of the 20 largest metro areas. In 4Q03, the nation added 183,000 jobs (seasonally adjusted), the first quarter of job growth after 10 quarters of decline.
- **Personal income tax (PIT) revenues rose.** PIT increased 16.2 percent in 4Q03, on a year-over-year basis. PIT is a current proxy for personal incomes, which are reported only after a two-year lag. The 4Q03 increase partly reflects higher City tax rates. Estimated taxes increased 13 percent, reflecting higher dividends and capital gains. Withholding taxes increased 18.3 percent. In 2003, NYC PIT rose 6.6 percent, primarily because of higher tax rates. (U.S. PIT revenues increased 0.5 percent in 4Q03, despite cuts in taxes; but for the full year 2003, U.S. PIT revenues declined 4.2 percent because of the cuts.)

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- **The inflation rate rose.** The NYC metropolitan area inflation rate rose to 3.2 percent in 4Q03. The increase in the local inflation rate largely reflects a jump of 11.6 percent in energy prices and a 4.2 percent increase in the two categories of housing and services. Except for 2Q03, NYC's inflation rate has been close to 3.1 percent since 2Q02 and averaged 3.1 percent in 2003. The U.S. inflation rate was 1.9 percent in 4Q03 and 2.3 percent in 2003.
- **The unemployment rate fell.** NYC's seasonally adjusted unemployment rate fell to 8.1 percent in 4Q03 from 8.4 percent in 3Q03. This was the lowest number since 7.9 percent in 3Q02. The U.S. unemployment rate, seasonally adjusted, decreased to 5.9 percent in 4Q03, from 6.1 percent in 3Q03. In 2003, the City's unemployment rate rose to 8.4 percent from 7.9 percent in 2002. The U.S. unemployment rate was 6.0 percent in 2003, compared with 5.8 percent in 2002.
- **Real estate commercial vacancies rose and rents fell.** The Manhattan commercial vacancy rate in 4Q03 increased to 12.5 percent. This was 0.5 percentage points higher than the 12.0 percent rate in 4Q02. Average Manhattan commercial rents decreased to \$40.53 per square foot in 4Q03, down from \$42.96 in 4Q02.
- **Leading economic indicators were mixed.** Two leading indicators improved, while one deteriorated. The City's quarterly help-wanted-advertising index fell, but the NYC business-conditions index and the number of building permits authorized rose in 4Q03 on a year-over-year basis.

**Summary Table. Five Key Economic Indicators, NYC and U.S., 4Q03 and 2003**

		<b>1. GCP/GDP Growth, SAAR</b>	<b>2. Payroll-Jobs Growth, SAAR</b>	<b>3. Personal-Income-Tax Growth, NSA</b>	<b>4. Inflation Rate, NSA</b>	<b>5. Unemployment Rate, SA</b>
<b>NYC</b>	<b>4Q03</b>	2.9% <b>Better</b>	1.2% <b>Better</b>	16.2% <b>Better</b>	3.2% <b>Worse</b>	8.1% <b>Better</b>
<b>U.S.</b>		4.1% <b>Worse</b>	0.6% <b>Better</b>	0.5% <b>Better</b>	1.9% <b>Better</b>	5.9% <b>Better</b>
<b>NYC</b>	<b>2003</b>	-2.1% <b>Better</b>	-1.3% <b>Better</b>	6.6% <b>Better</b>	3.1% <b>Worse</b>	8.4% <b>Worse</b>
<b>U.S.</b>		3.1% <b>Better</b>	-0.3% <b>Better</b>	-4.2% <b>Better</b>	2.3% <b>Worse</b>	6.0% <b>Worse</b>

Note: Indicators 1, 2, 5 (SA) compare 4Q03 with 3Q03; indicators 3-4 (NSA) compare 4Q03 with 4Q02. See Charts 1, 3, 6, 7, and 9. NSA=Not Seasonally Adjusted. SA=Quarterly Data Seasonally Adjusted. SAAR=SA Annualized Rate.

1. GCP/GDP=overall increase in the economy (3 percent growth is a long-term target). 2. Payroll jobs=number of people on payrolls, by place of work, a key factor in GCP/GDP. 3. Income=key determinant of GCP/GDP (jobs x average income is 60-70 percent of GCP/GDP). 4. Inflation=a measure of economic sustainability (3 percent is for some a maximum acceptable average inflation rate). 5. Unemployment=a measure of human-resource utilization (6 percent was in the 1980s and early 1990s considered a maximum for a non-accelerating-inflation rate of unemployment).

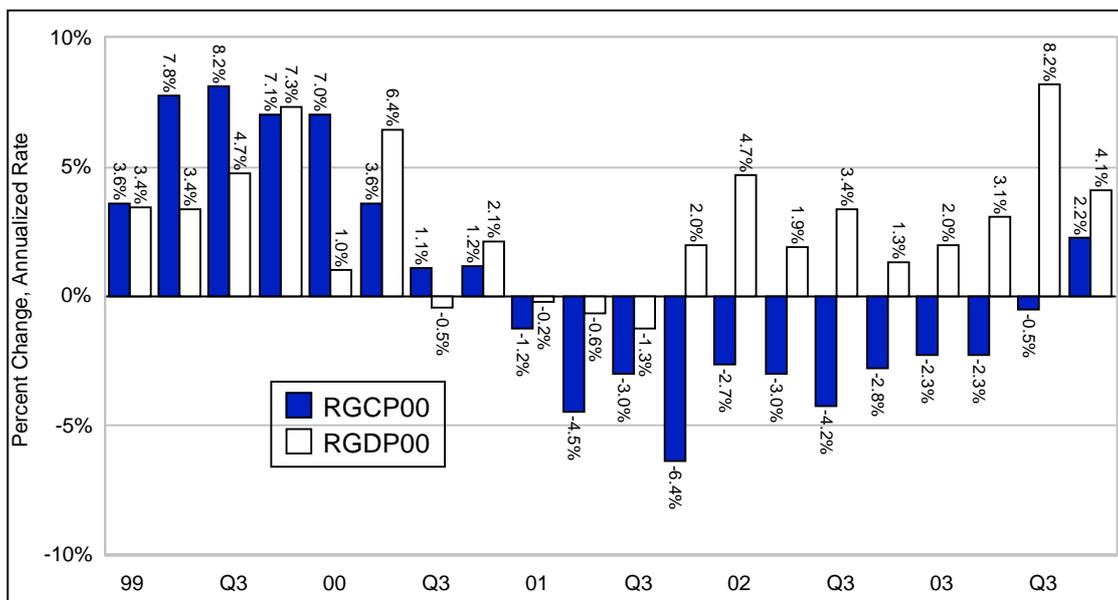
The City's economy in the fourth quarter had its best performance in three years as Gross City Product (GCP) grew at a healthy rate. The City added 4,300 jobs, and income (as proxied by personal-income-tax collections) increased. However, the gains in GCP and payroll jobs were not enough to offset losses earlier in the year. As a result, the City ended 2003 in negative territory for both GCP and jobs.

Similarly, the national economy continued to grow in the fourth quarter, but not as fast as in the third quarter. While GDP was positive in 2003, payroll jobs showed a loss.

### 1. GCP, GDP and the Silicon Alley 15

The City's economy grew for the second consecutive quarter. As measured by the change in the real chain-weighted GCP, the City economy grew 2.2 percent in the fourth quarter. The national economy as measured by changes in the real chain-weighted gross domestic product (GDP) grew at an annualized rate of 4.1 percent in the fourth quarter, as shown in Chart 1.

Chart 1. Real NYC GCP and Real U.S. GDP, Percent Change, Annual Rate, Quarterly, 1Q99-4Q03



Source: RGCP00 = Estimates by NYC Comptroller's Office. RGDP00=Changes in real GDP in chain-weighted 2000 dollars, from U.S. Dept. Commerce. NYC recessions are defined as two consecutive quarters of negative real growth in GCP. U.S. recessions are determined by the Business Cycle Dating Committee of the National Bureau of Economic Research, which in July 2003 announced that the most recent U.S. recession lasted from March to November 2001.

**GCP.** Real chain-weighted GCP grew 2.2 percent in the fourth quarter after falling 0.5 percent in the third quarter. The main factors behind the fourth-quarter increase were rise in payroll jobs and personal income (as measured by the change in personal-income tax-revenues).

**GDP.** U.S. GDP grew 4.1 percent (final release) in the fourth quarter after an 8.2 percent (final release) surge in the third quarter. This growth was composed of these four components:

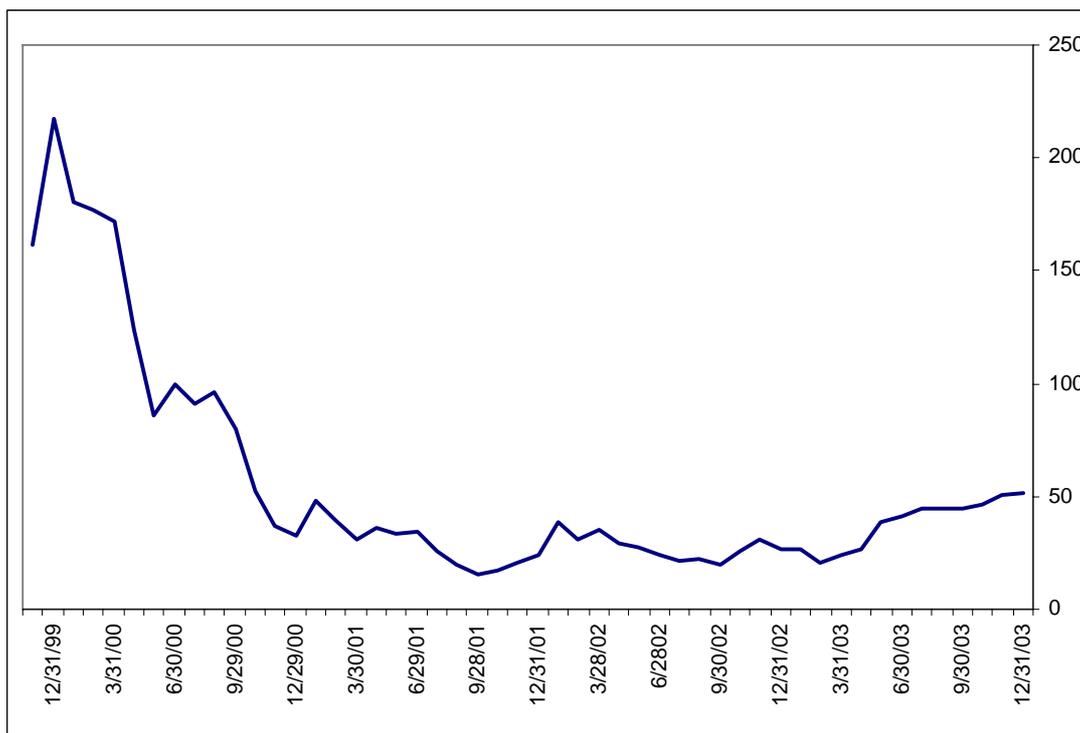
- Personal consumption growth was 3.2 percent in the fourth quarter, down from 6.9 percent growth in the third quarter.
- Private investment growth was 14.9 percent in the fourth quarter, down from 14.8 percent growth in

the third quarter.

- Government expenditure declined 0.1 percent in the fourth quarter after 1.8 percent growth in the third quarter.
- Net exports (i.e., the trade deficit) were \$515.2 billion in the fourth quarter, slightly higher than the \$505.2 billion deficit in the third quarter.

*Silicon Alley 15 Index.* The Comptroller's Silicon Alley 15 Index, which measures the change in the price of the 15 largest New York City-based dot-com companies, improved in the fourth quarter. On a year-over-year basis, the Silicon Alley 15 index averaged 49.6 in the fourth quarter of 2003, which is nearly 20 percentage points higher than the average (27.9) in the fourth quarter of 2002, as shown in Chart 2.

Chart 2. *The "Silicon Alley 15" Index, Monthly Data, December 1999-December 2003*



Source: NYC Comptroller's Office, based on information in DowJones.com/quotes. The calculations are based on the stock prices of 15 NYC-based companies (June 30, 2000=100). The number of shares outstanding in September 2000 is used to weight values from 6/30/00 to 12/31/01, and the number of shares outstanding in January 2002 is used to weight values from 1/31/02 to 1/31/03.

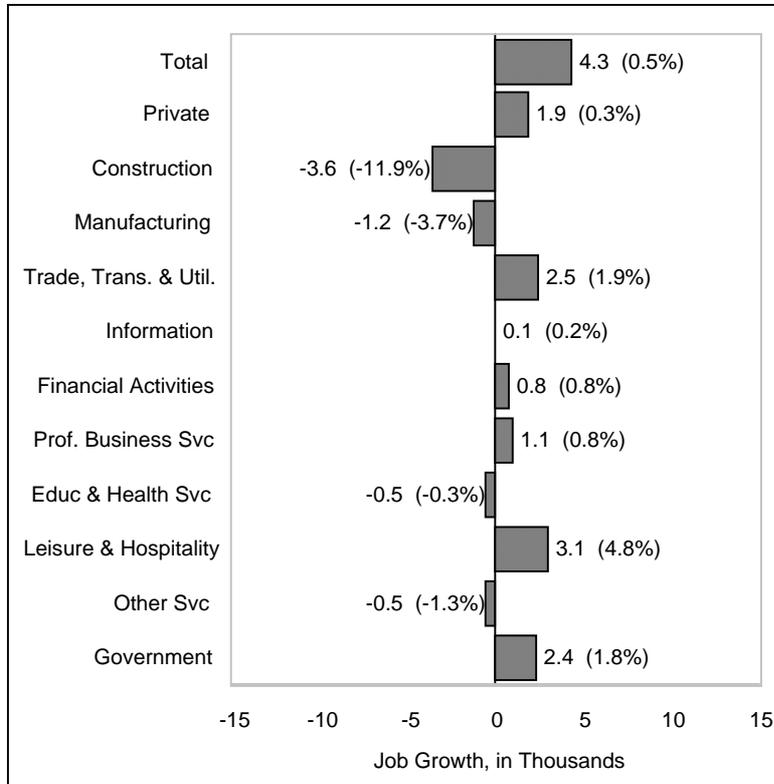
## 2. Jobs

From December 2000 to July 2003, the City lost 247,500 jobs. However, the City's job recovery is underway based on three measures: total job growth in the fourth quarter of 2003, the decline in the gap between the US and NYC job losses and a comparison with other cities.

First, seasonally adjusted payroll jobs rose by 4,300 in the fourth quarter of 2004, the City's second increase in 12 quarters. The private sector added 1,900 jobs and the public sector added 2,400 jobs. Within the private sector, five sectors gained jobs and four lost jobs. The biggest gains were in leisure and hospitality (3,100 jobs), and in trade, transportation and utilities (2,500 jobs). Professional and business services – which include legal services, management, administrative and support – added 1,100 jobs. Financial activities added 800 jobs and information added 100 jobs. Within financial activities, the

securities industry added 900 jobs, insurance added 500 jobs, but banks lost 300 jobs.<sup>1</sup> On the other hand, construction lost 3,600 jobs, manufacturing lost 1,200 jobs, and other services and education and health services each lost 500 jobs. Chart 3 shows the quarterly change in the City’s payroll jobs.

Chart 3. NYC Quarterly Job Growth ('000) and Percent Change, SAAR 4Q03 vs. 3Q03

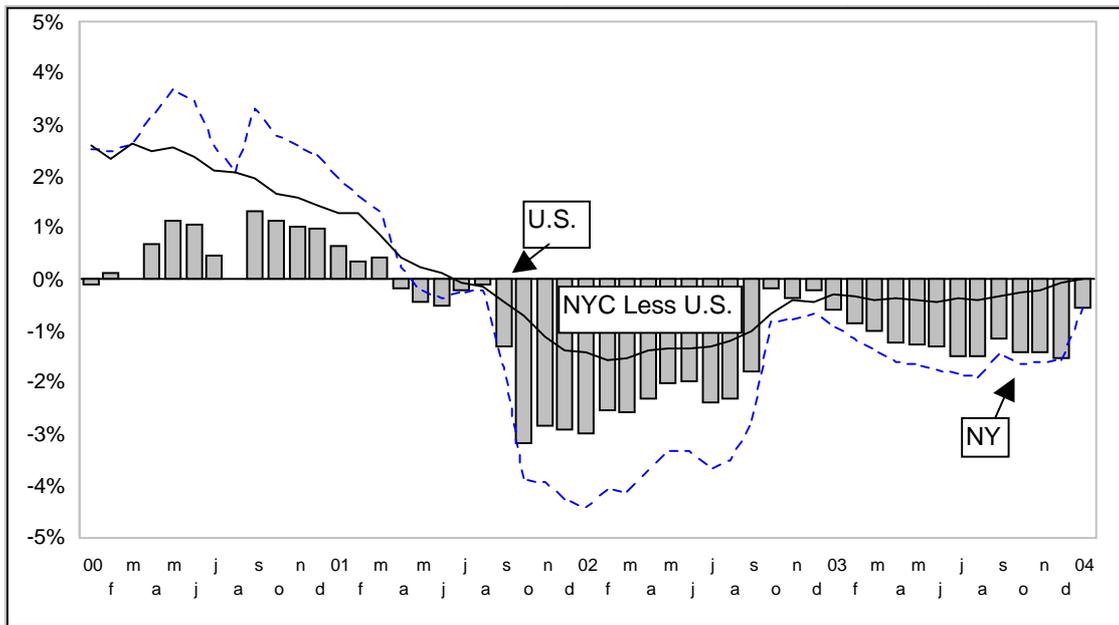


Source: NYS Department of Labor. Quarterly seasonal adjustments by the NYC Comptroller’s Office. SAAR=Seasonally adjusted annual (percentage) rate. Changes are from the previous quarter. Numbers of jobs are in thousands, so that the -10.6 total indicates a loss of 10,600 jobs in the fourth quarter of 2003 compared with the third quarter of 2003. Numbers in parentheses (-1.2%) indicate the annualized percentage job losses by sector between the third and fourth quarters. The Comptroller’s latest monthly seasonally adjusted job numbers may be found in press releases on the Comptroller’s website, [www.comptroller.nyc.gov](http://www.comptroller.nyc.gov).

Second, although the City gained jobs in the fourth quarter of 2003 compared with the third quarter, it showed a loss when compared with the same quarter in 2002. On a year-over-year basis, the City continued to lose jobs, but at a lower rate of loss. NYC lost 57,800 jobs year-over-year in the fourth quarter, compared with 61,800 jobs year-over-year in the third quarter. The gap between the City and the nation’s year-over-year job losses on a percentage basis therefore continued to narrow, as shown in Chart 4.

<sup>1</sup> Nonseasonally adjusted NAICS payroll-jobs components are adjusted for seasonality independently. The components do not necessarily add up exactly to total jobs.

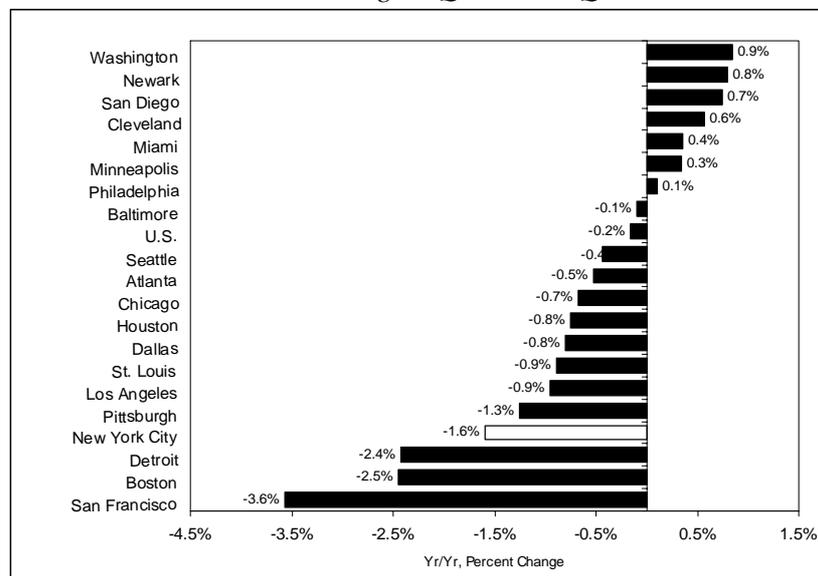
Chart 4. Payroll-Jobs, NYC and U.S., Year-over-Year Monthly Percent Change, Jan. 2000 to Jan. 04



Source: U.S. Bureau of Labor Statistics and NYS Department of Labor.

Third, the City's job-growth ranking held its third-quarter ranking (based on revised data) in relation to the 19 other largest metro areas. On a year-over-year basis, the City had the fourth-highest rate of job losses in the fourth quarter, as shown in Chart 5.

Chart 5. Job Growth, NYC and the 19 Next-Largest Metro Areas, Percent Change, 4Q03 over 4Q02

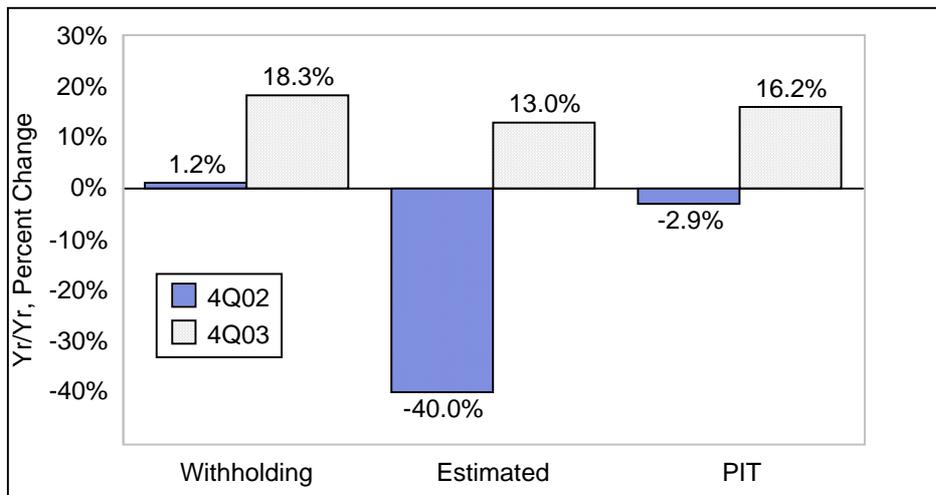


Source: U.S. Bureau of Labor Statistics (BLS). All data are for Metropolitan Statistical Areas (MSAs) or Primary MSAs (PMSAs), except for NYC, in which case City data are used. These job numbers are not seasonally adjusted because adjusted numbers are not available for cities other than NYC.

### 3. Income

Personal income tax (PIT) revenues are used as a proxy for income because of a two-year lag in reporting of personal- income data and a three-quarters lag in reporting of wages. On a year-over-year basis, PIT rose 16.2 percent in the fourth quarter. Withholding taxes, which are deducted from wages and salaries, rose 18.3 percent, and estimated taxes rose 13.0 percent, as shown in Chart 6. One cautionary note is that it is hard to distinguish how much of the increase in tax revenues reflects income changes and how much reflects a rise in tax rates. Common rate and base data are available only on an annual basis and are not yet available for fiscal year 2004. The Comptroller's Office estimates that 84 percent of the increase in tax revenues from July 2003 to February 2004 is attributable to the increase in tax rates.

Chart 6. NYC Personal Income Taxes, Year-over-Year Percent Change, 4Q02 and 4Q03



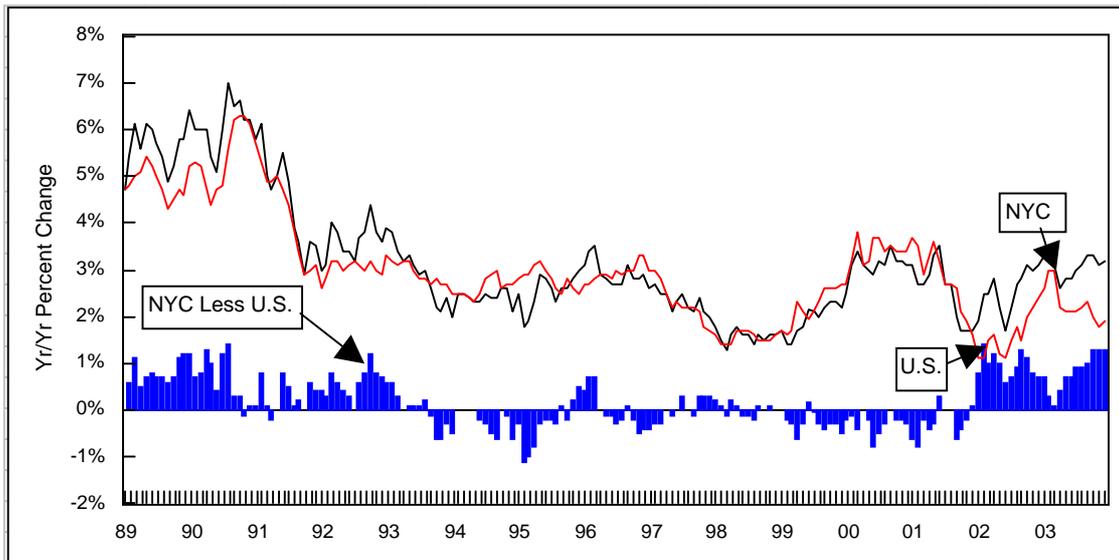
Source: NYC Comptroller's Office, based on data from the NYC Department of Finance. Withholding and estimated taxes are components of personal income taxes (PIT) and provide an indication of the nature of changes in PIT revenue.

### 4. Inflation

The NYC metro area inflation rate, measured by the year-over-year change in the urban consumer price index, surged 3.2 percent in the fourth quarter compared with the national average of 1.9 percent. The gap between the City's inflation rate and the nation's widened to 1.3 percentage points in the fourth quarter, from 0.9 of a percentage point in the third quarter, as shown in Chart 7.

The core inflation rate, which includes all items except food and energy, was 2.7 percent in the fourth quarter, up from 2.5 percent in the third quarter. In the fourth quarter, energy prices jumped 11.6 percent, while housing and services rose 4.2 percent, transportation rose 3.2 percent, and medical care and food and beverages rose 2.7 percent. Apparel and upkeep prices declined 0.1 percent.

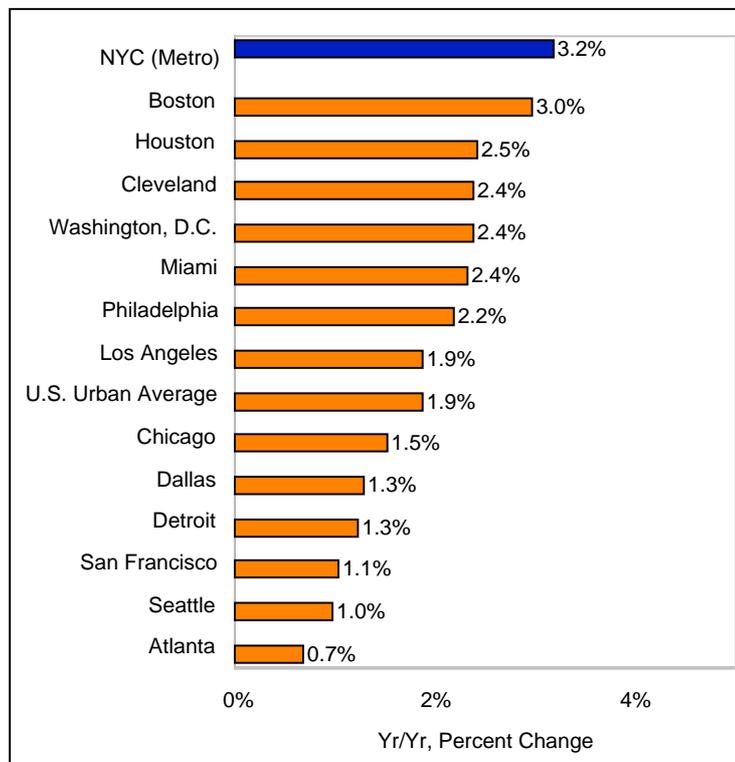
Chart 7. *Inflation Rates: NYC Area, U.S., and NYC Minus U.S., Monthly, Year-over-Year, 1989-2003*



Source: U.S. Bureau of Labor Statistics (BLS). Computation of differences by the NYC Comptroller's Office. Inflation data for NYC and other cities are collected by the BLS on a metropolitan-wide basis.

Compared with the 14 other largest metro areas, New York City had the highest rate of inflation, 3.2 percent, and Atlanta had the lowest rate, 0.7 percent, as shown in Chart 8. (For the full year 2003, NYC had the second-highest rate of inflation, 3.1 percent, among the 14 largest metro areas, after Boston's 3.7 percent.)

Chart 8. *Inflation Rate, 14 Large Metro Areas and U.S. Urban Average, 4Q03*



Source: U.S. Bureau of Labor Statistics (BLS). Quarterly inflation rates are computed by the NYC Comptroller's Office as averages of monthly BLS data. Data are collected by the BLS for the 14 largest metro areas.

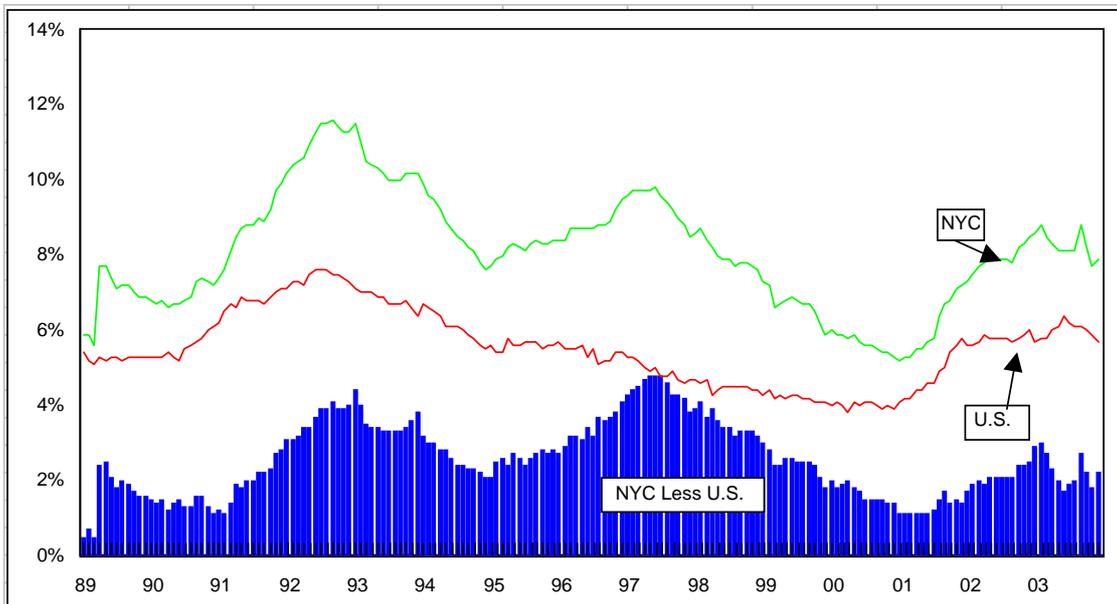
## 5. Unemployment

The number of City residents with jobs rose by 6,300 in the fourth quarter on a seasonally adjusted basis, the first increase after four quarters. As a result, the seasonally adjusted employment/population ratio – i.e., the ratio of employed New Yorkers to the adult population – fell to 53.2 percent, which is the lowest since the 52.7 percent rate in the second quarter of 1997.

The number of the civilian unemployed fell by 11,700 in the fourth quarter, after rising by 3,300 in the third quarter. The decline in the number of unemployed has helped to lower the unemployment rate to 8.1 percent in the fourth quarter, down from 8.4 percent in the third quarter.

The City's labor force fell by 5,400 in the fourth quarter and the labor-force-participation rate fell to 57.8 percent, the lowest since the fourth quarter of 1996.

Chart 9. *Unemployment Rate, NYC, U.S. and NYC Less U.S., Monthly (SA), 1989-2003*

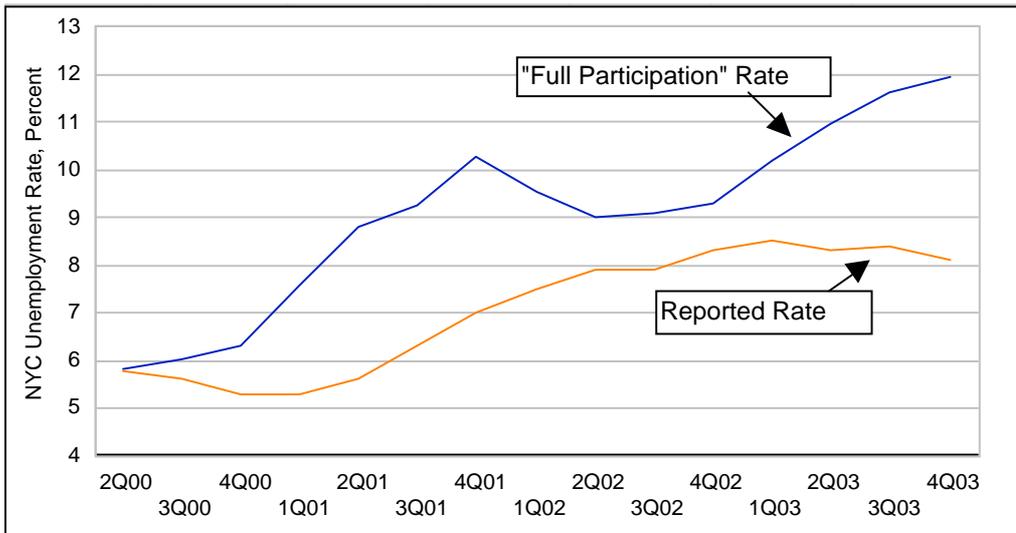


Source: Seasonally Adjusted (SA) series and differences computed by the NYC Comptroller's Office based on monthly data from the NYS Department of Labor and U.S. Bureau of Labor Statistics. The June 2002 NYC unemployment rate rose to 8 percent, a four-year high.

The labor-force-participation rate measures the extent to which the adult population is either working or actively seeking work. The rate for the City reached a peak of 60.3 percent in the second quarter of 2000, but since then, as mentioned, it has fallen to 57.8 percent in the fourth quarter of 2003. This decline is a sign of a possibly significant growth in the number of discouraged workers. If the labor-force-participation rate in the fourth quarter of 2003 were at the level of the second quarter of 2000 – i.e., if the labor force did not decline because of a dropping out of job-seekers – the NYC unemployment rate would be 12.0 percent, as shown in Chart 10.

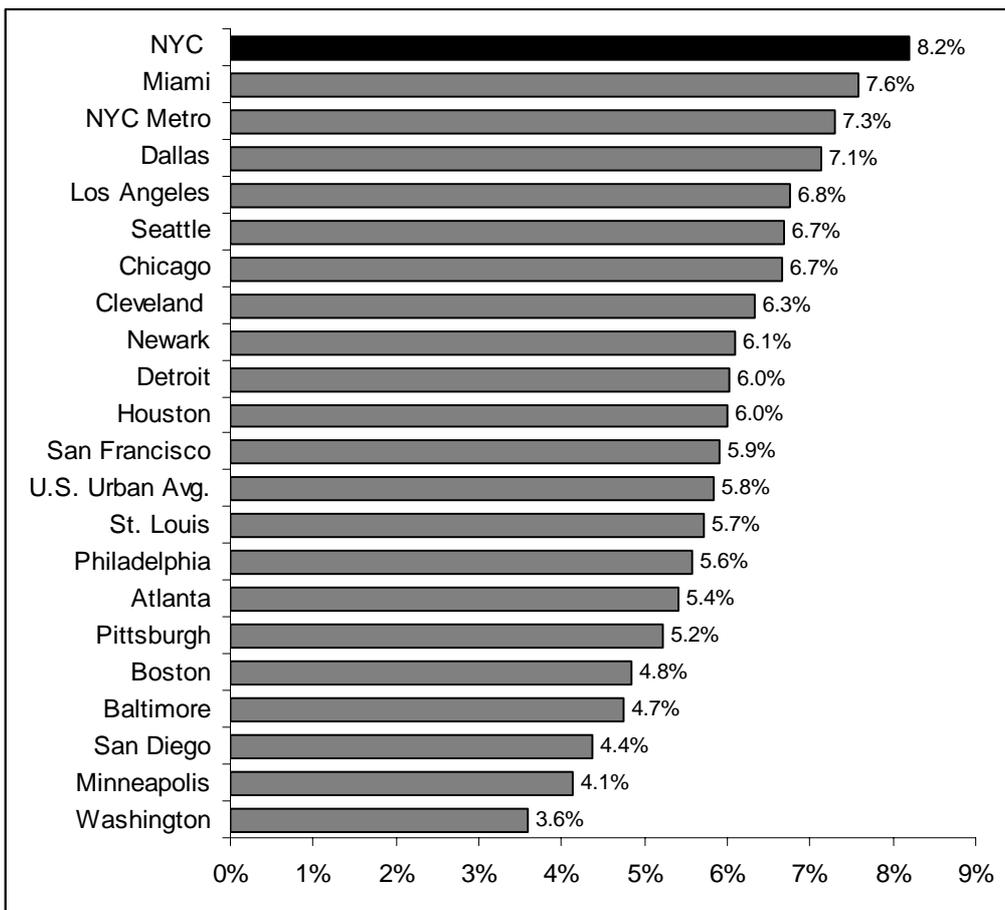
Compared with the 20 largest metro areas, NYC had the highest unemployment rate and Washington, D.C. had the lowest, as shown in Chart 11.

Chart 10. NYC Unemployment Rate, Reported and "Full Participation" Rates, 2Q00-4Q03



Source: Repeated rate from Bureau of Labor Statistics. "Full-Participation Rate" is computed by the NYC Comptroller's Office based on monthly data from the NYS Department of Labor and U.S. Bureau of Labor Statistics. "Full Participation" in the labor force is the 60.3 percent rate in 2000. The unemployment rate of 12 percent in 4Q03 takes into account the drop in the labor-force-participation rate to 57.8 percent, indicating a likely rise in the number of discouraged workers among those who are no longer looking for work.

Chart 11. Unemployment Rate, NYC and the 20 Largest Metro Areas and U.S. Urban Average, 4Q03



Source: BLS. All data are for the entire metro areas (MSAs or PMSAs, as defined in Chart 6); the NYC metro area is a PMSA, which is composed of the five NYC boroughs plus Westchester, Putnam, and Rockland counties. The unemployment rate for NYC alone is slightly higher and is shown for comparison. These numbers are *not* seasonally adjusted.

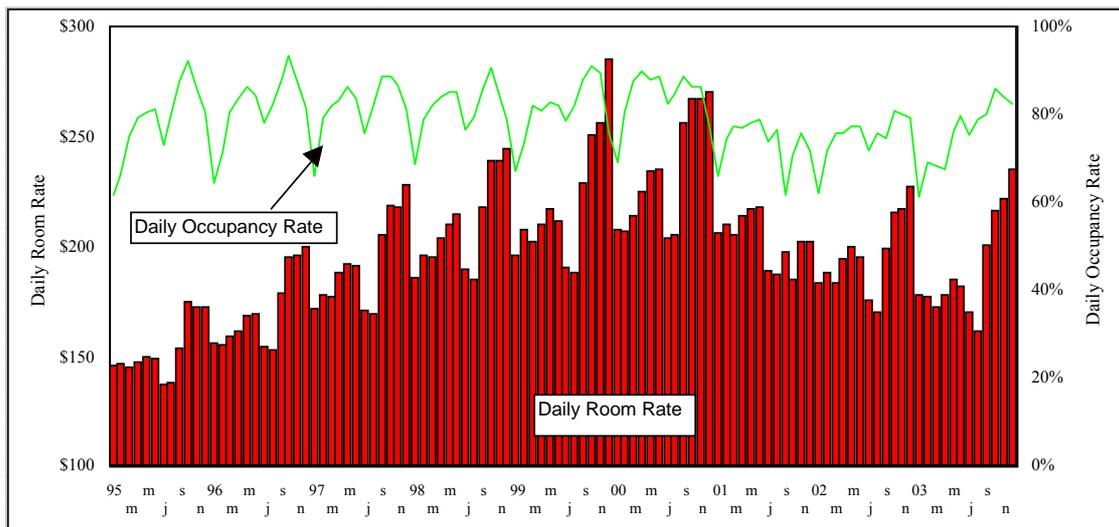
In 2003, the number of City residents with jobs declined by 58,000 and the number of unemployed residents increased by 14,200. As a result, labor-force participation fell by 43,900. The unemployment rate was 8.4 percent in 2003, up from 7.9 percent in 2002 and the highest since 9.4 percent in 1997. The labor-force-participation rate fell to 58.4 percent in 2003 from 59.4 percent in 2002, and the employment-population ratio fell to 53.5 percent, the lowest rate since the 53.0 percent rate in 1997.

## 6. Tourism and the Hotel Industry

The hotel industry continuously improved in 2003, as indicated by the average occupancy rate, which was 66.3 percent in the first quarter, 74.6 percent in the second quarter, 78.3 percent in the third quarter, and 84.3 percent in the fourth quarter. The fourth-quarter rate was the best fourth quarter since 85.5 percent in the fourth quarter of 1999. The average daily room rate was \$225 in the fourth quarter of 2003, up from \$220 in the fourth quarter of 2002. (See Chart 12.)

In 2003, the hotel occupancy rate rose slightly to 75.9 percent from 75.3 percent in 2002. The average daily room rate was \$190 in 2003, down from \$196 in 2002.

Chart 12. *Daily Room and Occupancy Rates, NYC Hotels, 1995-2003*

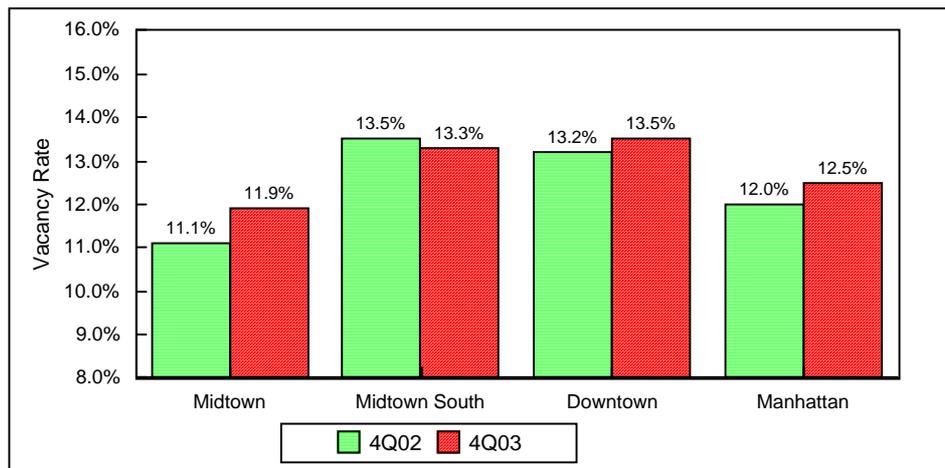


Source: PKF Consulting. Quarterly rates in the text are the Comptroller's Office averages of monthly rates.

## 7. Real Estate

Compared with the fourth quarter of 2002, commercial vacancy rates in the fourth quarter of 2003 increased in all of the Manhattan office markets except Midtown South. The biggest increase was in Midtown, 0.8 percentage points, and the smallest was in Downtown, 0.3 percentage points. Overall, the Manhattan commercial vacancy rate rose 0.5 percentage points in the fourth quarter of 2004 compared with the same period in 2003. Vacancy rates are shown in Chart 13.

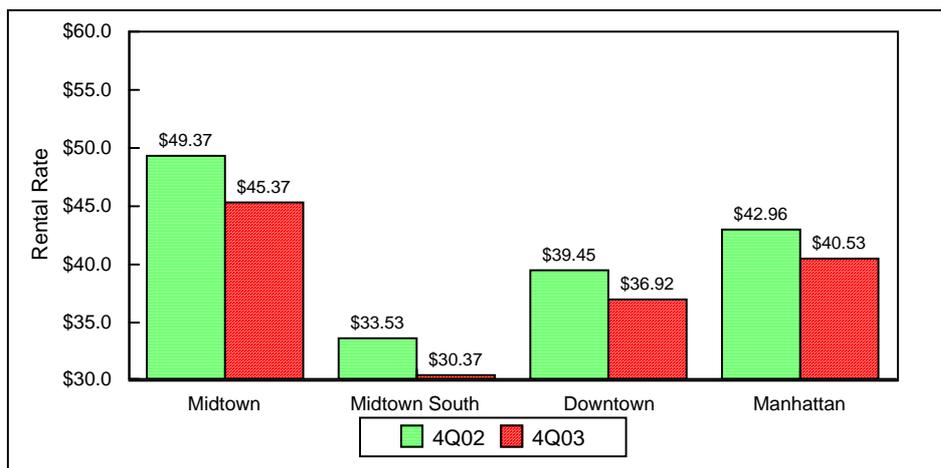
Chart 13. *Vacancy Rates, Manhattan, Overall Commercial, 4Q02 and 4Q03*



Source: Cushman & Wakefield.

The rise in the vacancy rates kept rental rates down. On a year-over-year basis, rental rates fell everywhere in Manhattan in the fourth quarter of 2003, as shown in Chart 14.

Chart 14. *Rental Rates per Square Foot, Manhattan, Commercial, Average, 4Q02 and 4Q03*



Source: Cushman & Wakefield. The average is weighted by square footage and only “direct” rentals are included. Direct rentals include space that is immediately available and exclude space that is under construction.

## 8. Leading Economic Indicators

Two of the three City leading economic indicators improved in the fourth quarter of 2003, as shown in Table 1.

On a year-over-year basis, the City’s help-wanted advertising index fell 16.4 percent in the fourth quarter of 2003. This index had fallen 24.7 percent in the fourth quarter of 2002, a slight improvement over the previous year. The help-wanted advertising index is sensitive to labor-market conditions and provides a gauge of changes in demand for workers. The Conference Board publishes the help-wanted advertising index for 51 cities and the nation every month. The national average was 38.0 in the fourth quarter of 2003, down from 39.7 in the fourth quarter of 2002.

Table 1. *Three Leading Economic Indicators, NYC, 4Q03 over 4Q02*

	<b>4Q02</b>	<b>4Q03</b>	<b>Change</b>
Help-Wanted-Advertising Index (1987=100)	18.3	15.3	<b>-16.4%</b>
Number of Building Permits Authorized	23,104	24,332	<b>+1,228 (5.3%)</b>
Business Conditions Index (1996=100)	229.9 (3Q03)	232.1	<b>+1.0%</b>

Source: The Conference Board (help-wanted ads), NYC Dept. of Buildings (permits), and National Association of Purchasing Management-New York (business conditions index).

In 2003, the City's help-wanted advertising index averaged 17.3 compared with 20.7 in 2002. For the nation, this index was 37.9 in 2003 compared with 43.8 in 2002. However, because of an increasing number of job vacancies being posted on the Internet, this indicator must be interpreted with caution.

On a year-over-year basis, the number of building permits authorized rose by 5.3 percent (1,228) in the fourth quarter of 2003 compared with the fourth quarter of 2002. The number of building permits authorized rose by 5.5 percent (5,003) in 2003 over 2002.

Finally, the business conditions index (BCI), a gauge based on purchasing managers' buying plans in NYC, improved slightly in the fourth quarter. The City's BCI was 232.1 in the fourth quarter compared with 222.9 in the third quarter. The current conditions index was 63.6 in the fourth quarter, up from 47.0 in the third quarter. The six-month outlook index was 70.0 in the fourth quarter of 2003, up from 49.1 in the fourth quarter of 2002.

**New York City Economic Indicators**

	Labor Market											Inflation			
	Payroll Jobs <sup>1</sup> (thousands)		Private Jobs <sup>1</sup> (thousands)		Civilian Employment <sup>2</sup> (thousands)		Unemployment Rate (%)		Labor Force Participation Rate (%)		Help Wanted Advertising 1987=100	Consumer Price Index (CPI), 1982-84 = 100			
	NSA*	SA	NSA	SA	NSA	SA	NSA	SA	NSA	SA		All Items		Core CPI <sup>3</sup>	
2002												Level	%ch year ago	Level	%ch year ago
Feb.	3,555.7	3,593.9	2,993.2	3,023.9	3,411.7	3,419.3	7.8	7.4	3,701.9	3,692.8	22	189.9	2.5	204.3	4.1
Mar.	3,574.5	3,589.9	3,007.4	3,019.6	3,427.4	3,426.7	7.9	7.7	3,721.1	3,710.8	21	191.1	2.5	205.6	3.8
April	3,578.2	3,586.1	3,011.7	3,020.2	3,427.6	3,434.6	7.6	7.8	3,709.2	3,726.6	23	191.8	2.8	205.8	3.8
May	3,600.3	3,592.7	3,032.1	3,023.0	3,429.2	3,441.7	7.6	8.0	3,711.1	3,739.5	21	191.4	2.2	205.5	3.8
June	3,604.8	3,586.3	3,035.2	3,015.9	3,449.6	3,443.7	7.6	8.0	3,732.2	3,742.5	22	191.5	1.7	204.9	3.1
July	3,584.7	3,575.3	2,994.0	3,010.7	3,481.2	3,441.2	8.0	8.0	3,785.2	3,739.7	21	192.0	2.2	205.5	3.6
Aug.	3,566.4	3,578.7	2,988.2	3,010.5	3,457.1	3,440.9	7.8	7.8	3,750.5	3,733.3	18	193.1	2.7	207.1	3.9
Sept.	3,553.7	3,575.9	3,001.6	3,006.8	3,414.5	3,438.5	7.6	7.8	3,697.2	3,728.4	22	193.3	2.8	207.3	3.7
Oct.	3,593.1	3,579.0	3,032.1	3,011.9	3,434.4	3,438.4	8.3	8.2	3,743.7	3,744.1	19	193.7	3.1	207.9	3.6
Nov.	3,620.5	3,578.2	3,051.4	3,009.0	3,440.5	3,435.1	8.3	8.3	3,751.7	3,745.2	19	193.4	3.0	207.1	3.0
Dec.	3,634.2	3,574.6	3,062.3	3,006.0	3,440.3	3,428.7	8.3	8.4	3,752.1	3,744.9	17	193.1	3.1	206.5	2.8
2003															
Jan.	3,505.2	3,559.2	2,946.5	2,997.0	3,389.0	3,414.1	9.1	8.6	3,728.2	3,736.6	18	194.7	3.3	208.4	3.1
Feb.	3,514.3	3,552.5	2,957.7	2,988.4	3,395.1	3,403.0	9.0	8.6	3,732.1	3,722.6	22	196.2	3.3	208.9	2.3
Mar.	3,524.9	3,540.0	2,968.5	2,980.3	3,391.0	3,390.4	8.7	8.4	3,713.2	3,702.9	17	197.1	3.1	209.4	1.8
Apr.	3,521.5	3,529.4	2,963.7	2,972.0	3,375.7	3,382.9	8.1	8.3	3,673.5	3,690.9	17	196.7	2.6	209.7	1.9
May	3,541.2	3,532.4	2,983.3	2,973.1	3,364.1	3,375.9	7.9	8.3	3,653.6	3,681.5	17	196.8	2.8	210.1	2.2
June	3,541.7	3,523.2	2,982.1	2,963.0	3,372.7	3,366.2	7.9	8.3	3,662.0	3,672.0	18	196.9	2.8	210.1	2.5
July	3,518.9	3,510.8	2,945.9	2,962.7	3,397.2	3,357.3	8.4	8.4	3,709.9	3,665.2	18	197.7	3.0	211.0	2.7
Aug.	3,498.8	3,512.6	2,937.7	2,960.9	3,370.8	3,354.8	8.4	8.4	3,678.7	3,662.2	15	199.1	3.1	212.5	2.6
Sept.	3,501.7	3,523.5	2,962.3	2,967.7	3,338.0	3,361.8	8.4	8.5	3,644.5	3,675.6	20	199.6	3.3	212.2	2.4
Oct.	3,534.7	3,521.0	2,986.3	2,966.5	3,357.4	3,361.4	8.4	8.3	3,663.9	3,664.6	16	200.0	3.3	213.3	2.6
Nov.	3,562.2	3,520.3	3,008.4	2,966.6	3,371.4	3,366.2	8.1	8.0	3,667.2	3,660.7	17	199.4	3.1	212.6	2.7
Dec.	3,577.4	3,518.6	3,019.5	2,964.0	3,376.4	3,365.1	8.0	8.1	3,668.8	3,661.4	13	199.3	3.2	212.2	2.8

\*NSA=Not Seasonally Adjusted. SA=Seasonally Adjusted.

Notes: 1. Payroll jobs are derived from the Establishment Survey.

2. Civilian employment is derived from the Household Survey.

3. Core CPI=all items less food and energy.

*Continued*→

### New York City Economic Indicators

Cont',d	Real Estate Transaction Taxes		Income-Sensitive Taxes				Manhattan Commercial Real Estate (Overall)				Construction		Hotel	
							Vacancy Rate		Asking Rental Rate		Total Number of Building Permits Authorized		Hotel Occupancy Rate	Daily Room Rate
	MRT <sup>1</sup>	RPTT <sup>2</sup>	Sales	Corp.	Bank	PIT	Midtown	Downtown	Midtown	Downtown				
2002	\$ mil.	\$ mil.	\$ mil.	\$ mil.	\$ mil.	\$ mil.	(%)	(%)	(\$/s.f.)	(\$/s.f.)	(# of units)	Year-to-date	(%)	(\$)
Feb.	35.1	15.3	242.2	31.4	-9.4	347.7	na	na	na	Na	6,706	13,746	72.0	187.93
Mar.	39.1	20.5	255.7	397.5	88.9	229.8	9.3	11.9	51.68	40.55	7,338	21,084	76.0	183.59
April	41.6	57.1	265.3	42.8	20.2	499.8	na	na	na	Na	7,627	28,711	76.0	194.37
May	45.7	70.8	250.2	-42.0	-21.0	192.5	na	na	na	Na	7,782	36,493	77.6	199.73
June	44.0	38.3	325.2	246.7	83.0	364.8	9.9	13.4	50.15	40.15	7,468	43,961	77.3	195.59
July	40.9	49.5	242.2	0	0	309.6	na	na	na	Na	7,348	51,309	71.8	175.89
Aug	45.7	50.2	241.7	0	0	275.5	na	na	na	Na	8,602	59,911	75.9	169.97
Sept.	44.6	55.4	345.9	249.6	89.3	390.3	10.7	13.4	49.49	39.79	7,351	67,262	74.8	199.26
Oct.	50.6	59.2	244.6	22.9	-15.8	321.9	na	na	na	Na	8,652	75,914	81.1	216.02
Nov.	47.4	32.1	241.3	20.4	-5.8	347.2	na	na	na	Na	7,352	83,266	80.1	216.94
Dec.	53.4	45.6	399.3	221.3	17.4	472.2	11.1	13.2	49.37	39.45	7,100	90,366	79.5	227.20
2003														
Jan.	23.9	19.3	301.5	12.9	3.6	659.2	na	na	na	Na	7,324	7,324	61.5	177.70
Feb.	29.6	25.1	240.7	5.0	-27.1	380.8	na	na	na	Na	6,397	13,721	69.2	177.47
Mar.	39.7	30.2	351.6	397.9	43.2	265.4	11.5	13.3	47.30	38.24	7,367	21,088	68.3	172.62
Apr.	44.7	48.2	253.0	54.4	3.5	509.5	na	na	na	Na	7,954	29,042	67.7	177.97
May	45.3	32.3	267.2	14.9	-21.4	93.9	na	na	na	Na	8,064	37,106	76.2	184.94
June	60.0	26.0	366.0	203.0	130.0	449.0	12.0	12.6	46.56	36.36	8,552	45,658	79.8	182.15
July	71.3	57.3	261.9	0	0	346.9	na	na	na	Na	8,833	54,491	75.4	170.04
Aug.	53.1	32.5	269.2	0	0	280.9	na	na	na	Na	8,035	62,526	79.2	161.66
Sept.	85.5	69.2	371.4	303.9	82.8	453.5	11.9	13.0	45.63	35.60	8,511	71,037	80.2	200.83
Oct.	42.9	42.3	301.6	25.8	10.4	338.5	na	na	na	Na	9,720	79,548	85.9	216.73
Nov.	41.7	30.6	283.8	-9.3	-22.2	369.5	na	na	na	Na	7,321	86,869	84.3	222.16
Dec.	65.8	30.7	411.1	311.2	104.0	618.6	11.9	13.5	45.37	36.92	7,291	94,160	82.7	235.05

Sources: Bureau of Labor Statistics, The Conference Board, Bureau of the Census, NYS Department of Taxation, Cushman & Wakefield, PKF Consulting, NYC Dept. of Buildings, NYS Dept. of Labor, and NYC Comptroller's Office.

1. MRT= Mortgage Recording Tax. 2. RPTT= Real Property Transfer Tax. n.a.=not available.