



NEW YORK CITY COMPTROLLER
SCOTT M. STRINGER

Bureau of Budget

Q2 2019

NYC Quarterly Economic Update

Economic Growth Continues In Q2 2019

August 2019



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Overview

- Solid job growth; unemployment rate at near record low
- Labor force participation rate and employment-to-population ratio remain at near record highs
- Average hourly earnings up
- New commercial leasing activity surges due to new inventory; vacancy rates and rents up
- Apartment sales up in Manhattan, down in Brooklyn and Queens
- Average sales prices flat in Manhattan and Queens; up in Brooklyn
- NYC leading economic indicators mixed, but continue to point to growth

Table 1: Second Quarter of 2019 Key Economic Indicators for NYC and U.S. Compared with Q2 2018

Economic Indicator		Q2 2018	Q2 2019
GCP/GDP Growth, SAAR	NYC	2.6	3.4
	U.S.	3.5	2.1
Payroll-Jobs Growth, SAAR	NYC	2.0	2.4
	U.S.	1.9	1.2
PIT Withheld, Growth, NSA	NYC	11.8	7.9
	U.S.	-0.2	1.2
Inflation Rate, NSA	NYC	2.0	1.6
	U.S.	2.7	1.8
Unemployment Rate, SA	NYC	4.2	4.3
	U.S.	3.9	3.6

SAAR=Seasonally adjusted annual rate. SA=Seasonally adjusted. NSA=Not seasonally adjusted

NYC Economic Growth Remains Strong

Chart 1. NYC Real Gross City Product (GCP) Remains Strong



Source: BEA and NYC Comptroller

The City’s economy grew 3.4 percent in Q2 2019, after 3.1 percent growth in Q1 2019. Growth was fueled by a strong labor market and strong wage growth as measured by average hourly earnings. The banking sector, a key driver of the City’s economy, continued to perform strongly when measured by revenues and profits, aided by lower corporate tax rates and deregulation. Net income after taxes for the top six banks¹ in the U.S. rose to over \$32.6 billion in Q2 2019, the highest level on record. While pre-tax net income of these banks rose 4.2 percent, taxes paid by the top six U.S. banks fell 14.5 percent in Q2 2019 from the prior year, courtesy of the lower federal corporate income tax rate enacted in 2017.

U.S. GDP rose 2.1 percent in Q2 2019 after growing 3.1 percent in the previous quarter. The biggest contributor to GDP growth was consumer spending and the largest drag on growth was a decline in inventory investment (likely at least partially driven by a reduction in the build-up in inventories recorded in Q1). Consumer spending contributed 2.85 percentage points (pp) to the GDP growth, the highest in over a year. This surge was enabled by the strength in the labor market and growth in wages. Within consumer

¹ JPMorgan Chase, Bank of America, Wells Fargo, Citigroup, Goldman Sachs, and Morgan Stanley. All but Bank of America and Wells Fargo are headquartered in NYC.

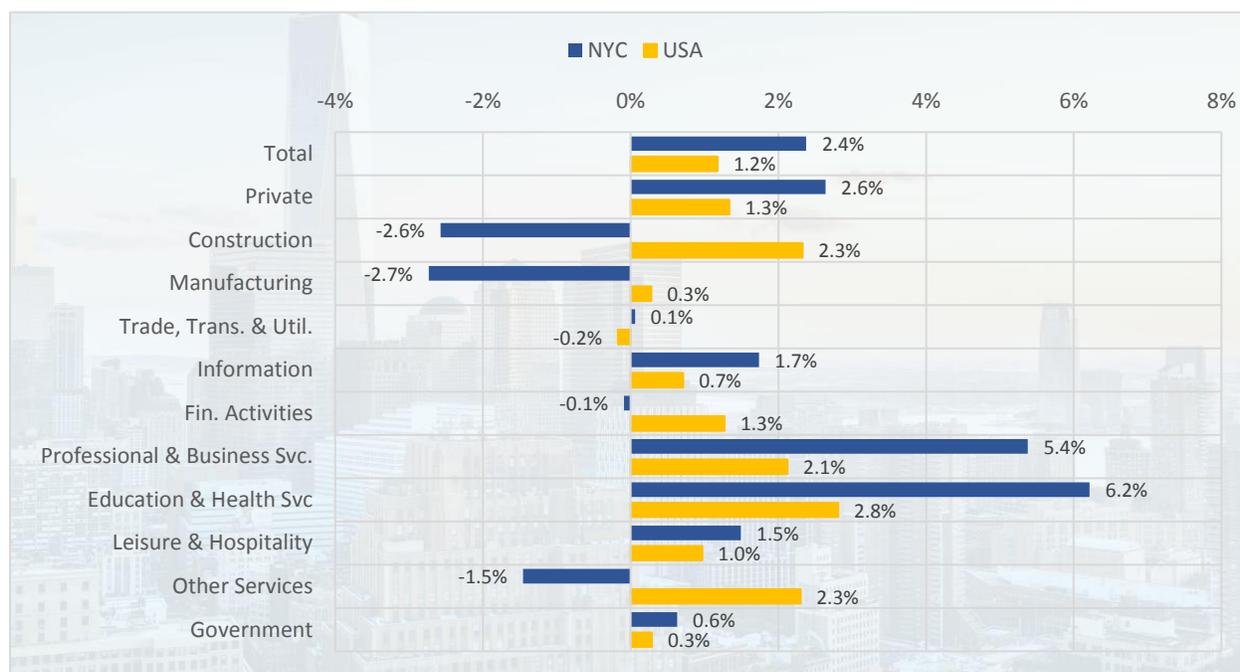
spending, motor vehicle and parts and health care were among the items that contributed the most to GDP growth.

Government expenditures contributed 0.85 pp to the GDP growth with of which, 0.51 pp was federal and 0.35 pp were by state and local governments. Nondefense Federal government expenditure rose 15.9 percent, and defense grew 2.8 percent in Q2 2019.

In contrast, private investment and net exports lowered economic growth. Private investment deducted 1.0 pp from the GDP growth. Private inventories deducted 0.86 pp and fixed investment deducted 0.14 pp from the GDP growth Net exports deducted 0.65 pp from the GDP growth, mostly because of a big decline (5.2 percent) in exports.

Private-Sector Hiring Surges

Chart 2. NYC Job Growth Remains Strong



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

Job growth in the City surged during Q2 2019. Establishments in New York City (including government) added 27,200 jobs, an increase of 2.4 percent on a seasonally adjusted annualized rate (SAAR) basis, the biggest increase since 28,000 in Q4 2018. However, U.S. job growth slowed, increasing only 1.2 percent (SAAR) in Q2 2019, the weakest gain since Q3 2012.

The City's private sector added 26,200 jobs or 2.6 percent (SAAR) in Q2 2019, the highest growth since Q4 2018. The public sector added 900 jobs in Q2 2019 after adding 800 jobs in Q1 2019. Nationally, private-sector employment grew 1.3 percent (SAAR) in Q2 2019, the slowest growth since a 1.2 percent increase in Q3 2010 (Chart 2).

Across the private sector the largest gains were in healthcare and social assistance (12,300 new jobs), of which almost half (5,800 jobs) were in home healthcare services (and may be a result of changes in Medicaid allowing family members to be paid to care for their loved ones).² Professional and business

² Revised Histories and Extraordinary Trends in the New York City Economy, Independent Budget Office of the City of New York, May 2019. <https://ibo.nyc.ny.us/iboreports/past-as-prologue-revised-histories-and-extraordinary-trends-in-the-new-york-city-economy-may-2019.html>

services added 10,100 new jobs of which over half (6,900 jobs) were in administrative and support services and waste management, which is a low-wage industry.

Education services added 3,400 jobs after losing 2,700 jobs in Q1 2019. Leisure and hospitality added 1,700 jobs all of which were in arts, entertainment, and recreation. Retail trade jobs increased for the third consecutive quarter, adding 1,600 jobs in Q2 2019. The information sector added 900 jobs and wholesale trade added 600 jobs in Q2 2019, which was the second quarter of gains after six consecutive quarters of job losses.

Construction lost 1,000 jobs after adding 4,100 jobs in the previous two quarters. Other services lost 700 jobs, the first decline after adding 5,300 jobs in the previous two quarters. Manufacturing continued to contract, losing 500 jobs.

Employment in the financial activities sector declined for the third consecutive quarter, shedding 100 jobs in Q2 2019 after losing a total of 4,300 jobs in the previous two quarters. The financial services sector is an important sector in the City and recent job losses are concerning.

The number of office workers increased by 10,900 in Q2 2019, the biggest increase since Q3 2016. However, housing employment, which includes construction and workers in the real estate and property sector, lost 2,500 jobs in Q2 2019, the biggest decline since Q1 2010.

Of the 26,200 private-sector jobs added, 17,300 or 65.8 percent were in low-wage industries, 5,500 or 20.8 percent were in high-wage industries, and 3,500 or 13.4 percent were in medium-wage industries.³

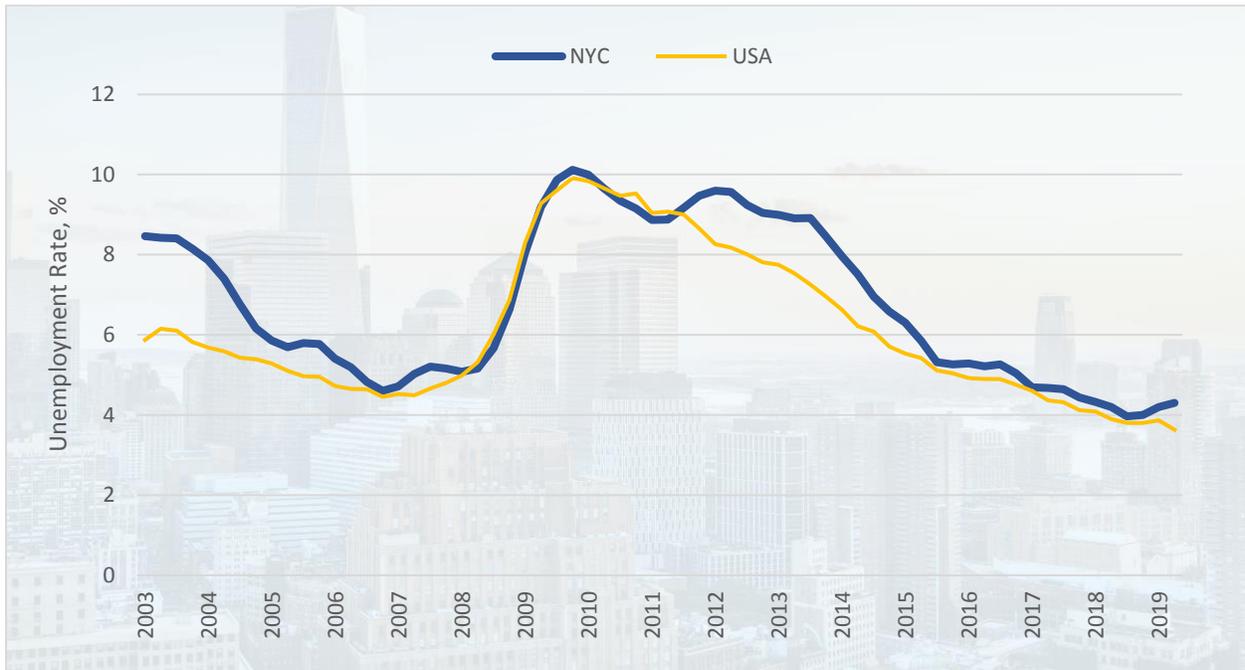
Local-sector industries, such as education and health services, continue to make up most of the new jobs for the seventh consecutive quarter. Of the 26,200 new private-sector jobs, 14,100 or 54.0 percent were in the local-sector industries. The remaining 12,200 or 46.0 percent were in export-sector industries, such as leisure and hospitality and professional and business services.⁴

³ We define high-wage jobs as those that pay above \$124,000 a year; medium-wage jobs as those paying \$62,000 to \$124,000 a year; and low-wage jobs as earnings of less than \$62,000 a year. The average annual salary of a worker in New York City in a low-wage sector job was \$43,000, in a medium-wage sector was about \$82,000, and in a high-wage sector was about \$220,000 as of 2017.

⁴ Export sector jobs (generally higher paying) provide goods and services to people and firms outside of the five boroughs and depend more heavily on the national and global economies. Local sector jobs provide support for the export sector and the local population or local consumption.

Unemployment Rate Remains Near-Record Lows

Chart 3. NYC Unemployment Rate Ticks Up



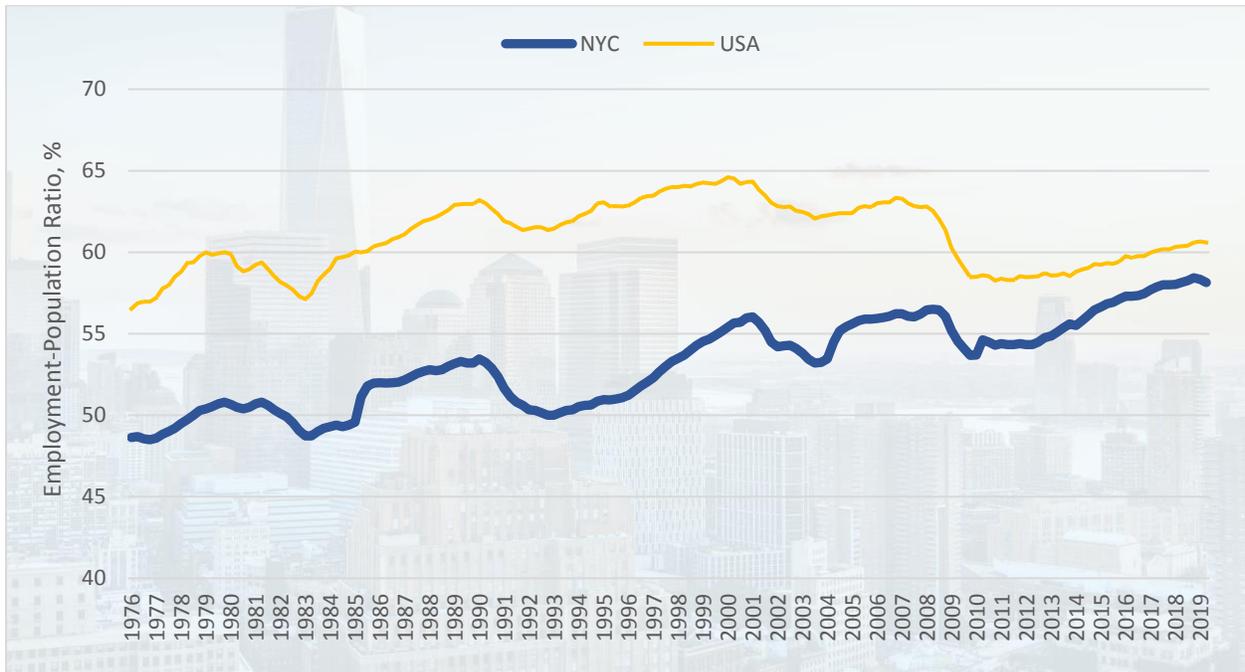
Source: U.S. Bureau of Labor Statistics (BLS) and NYS Department of Labor

The City's unemployment rate increased a bit despite a strong increase in the number of jobs added in the most recent quarter (Chart 3). After reaching a record low of 4.0 percent in Q4 2018, NYC's unemployment rate, adjusted for seasonality, rose to 4.3 percent in Q2 2019 from 4.2 percent in Q1 2019. The reason was an increase in the number of unemployed in the City, which grew by 3,800 to 177,100 in Q2 2019, combined with a decline in the labor force of 11,800 (see below, Chart 5). The U.S. unemployment rate fell to 3.6 percent in Q2 2019, the lowest rate since the fourth quarter of 1969.

The unemployment rate (not seasonally adjusted) remained unchanged in Staten Island, but rose in all the other four boroughs in Q2 2019 from Q2 2018. Nonetheless, unemployment rates in all the five boroughs were hovering around their historical lows. The borough unemployment rates changes from Q2 2018 to Q2 2019 were:

- 3.4 to 3.5 percent in Queens;
- 3.5 to 3.6 percent in Manhattan;
- the same, at 3.9 percent in Staten Island;
- 4.0 to 4.2 percent in Brooklyn; and
- 5.3 to 5.4 percent in the Bronx.

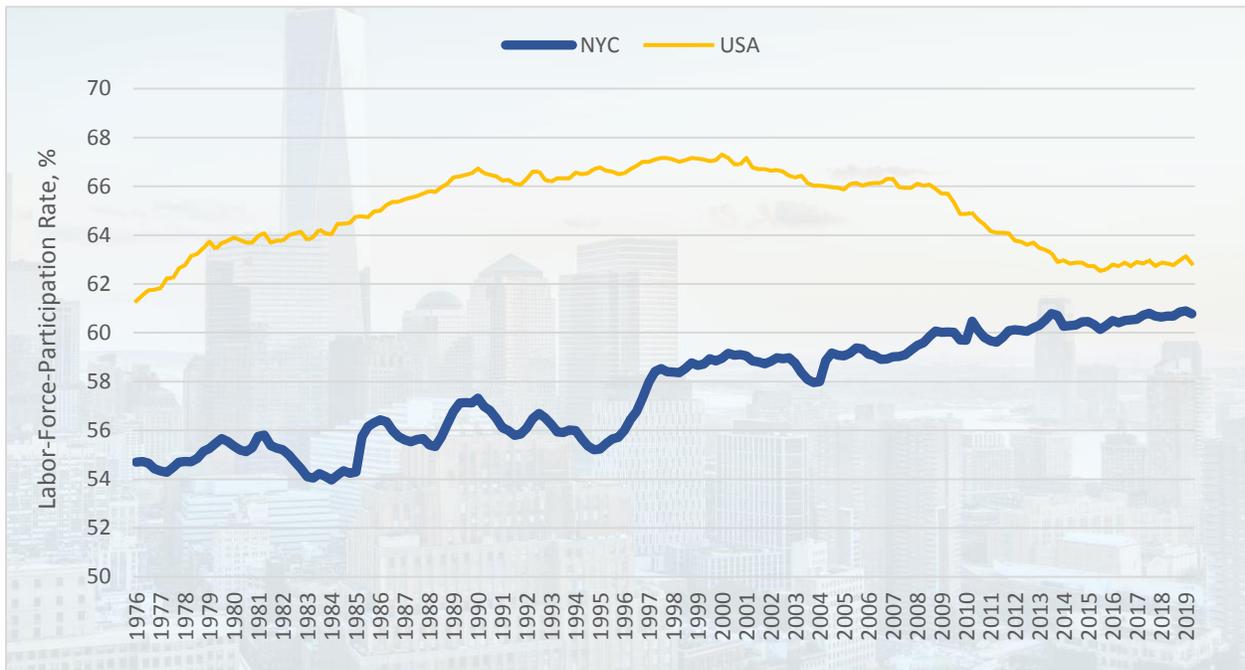
Chart 4. The Percentage of New York City Residents Working Hovers Around a Record High



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

On a quarter-over-quarter basis, the number of employed City residents (who may work either in the City or the commutable suburbs) fell by 15,600 to slightly over 3.9 million in Q2 2019. The City's employment-to-population ratio fell marginally to 58.1 percent in Q2 2019 from 58.3 percent in Q1 2019 (Chart 4). The national employment-to-population ratio fell to 60.6 percent in Q2 2019 from 60.7 percent. The spread between the nation's and the City's employment-to-population ratios (which can be explained by differences in demographics, i.e. age or skill levels) rose to 2.5 percentage points in Q2 2019 from 2.3 percentage points in Q1 2019.

Chart 5. Labor Force Participation Rate Declined, But Remains Close to Peak

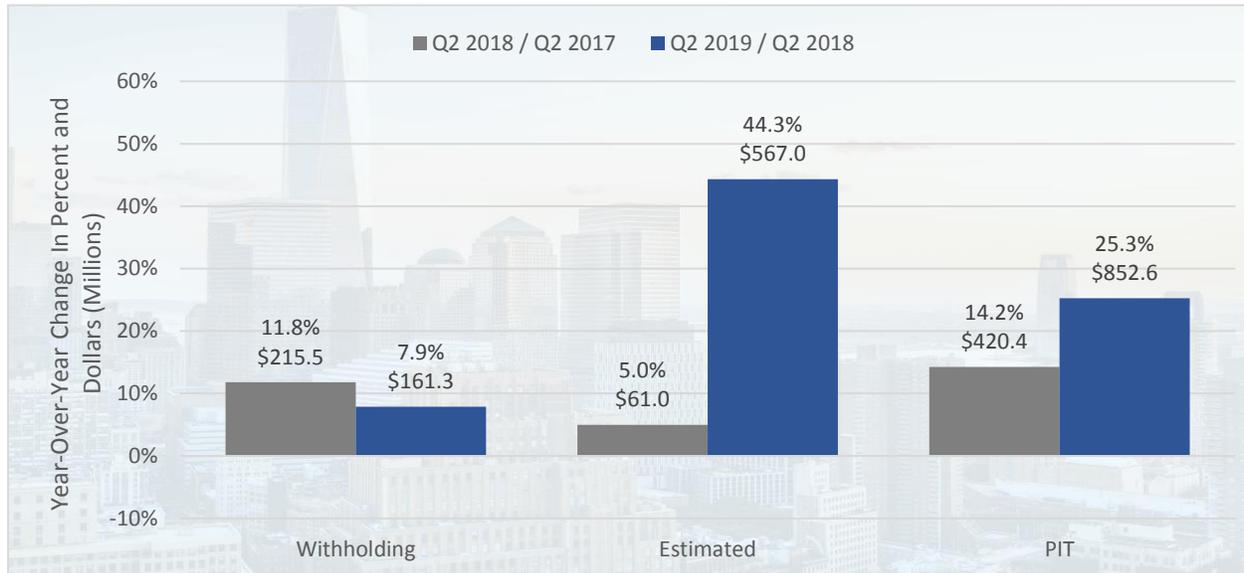


Source: U.S. Bureau of Labor Statistics (BLS) and NYS Department of Labor

The City's labor force declined by 11,800 in Q2 2019. As a result, the City's labor force participation rate (LFPR), which is the ratio of the total labor force to the total non-institutional population aged 16 years old and over, fell to 60.8 percent in Q2 2019 from a record high of 60.9 percent in Q1 2019. The national labor force participation rate fell to 62.8 percent in Q2 2019 from 63.1 percent in Q1 2019.

Strong Growth in Average Hourly Earnings

Chart 6. Change in Personal Income Tax Collections



Source: NYS OPTA

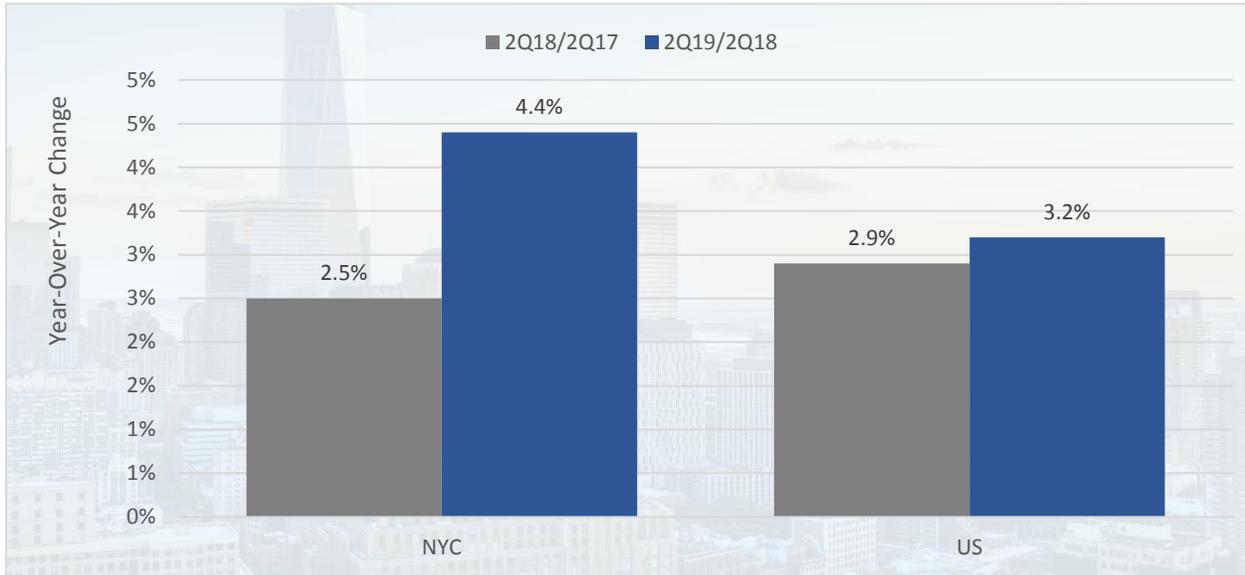
Reported NYC personal income tax (PIT) collections, usually a good proxy for personal income in the City, surged 25.3 percent or \$852.6 million on a year-over-year basis to over \$4.2 billion in Q2 2019 (Chart 6). The two main components of the PIT, withholding and estimated, were up in Q2 2019 over a year ago. Withholding tax revenues rose 7.9 percent in Q2 2019, a weaker pace than the 11.8 percent growth in Q2 2018.⁵ Estimated tax payments (including extension payments), another key component of the City’s personal income tax, rose 44.3 percent or \$567 million in Q2 2019 over a year ago.⁶ While the City’s economy is strong and we would expect some increase in incomes and tax collections as a result, the growth in these taxes is largely a result of TJCA tax avoidance strategies conducted in 2018.

Average hourly earnings (AHE) of all private sector NYC employees rose 4.4 percent on a year-over-year basis to \$37.52 in Q2 2019, the biggest second-quarter increase since 4.7 percent growth in Q2 2017. U.S. average hourly earnings grew 3.2 percent to \$27.80 in Q2 2019 from Q2 2018, the biggest second-quarter growth since Q2 2007 (Chart 7). AHE grew 4.4 percent in NYC and 3.3 percent in US in Q1 2019 over Q1 2018.

⁵ Withholding taxes reflect taxes paid on regular wages as well as taxes on annual and one-time bonuses. Thus, the increase in withholding taxes does not necessarily reflect the average workers’ hourly wage increase.

⁶ Estimated taxes reflect trends in taxpayers’ non-wage income, including interest earned, rental income, and capital gains.

Chart 7. Growth in Average Hourly Earnings of Private Employees

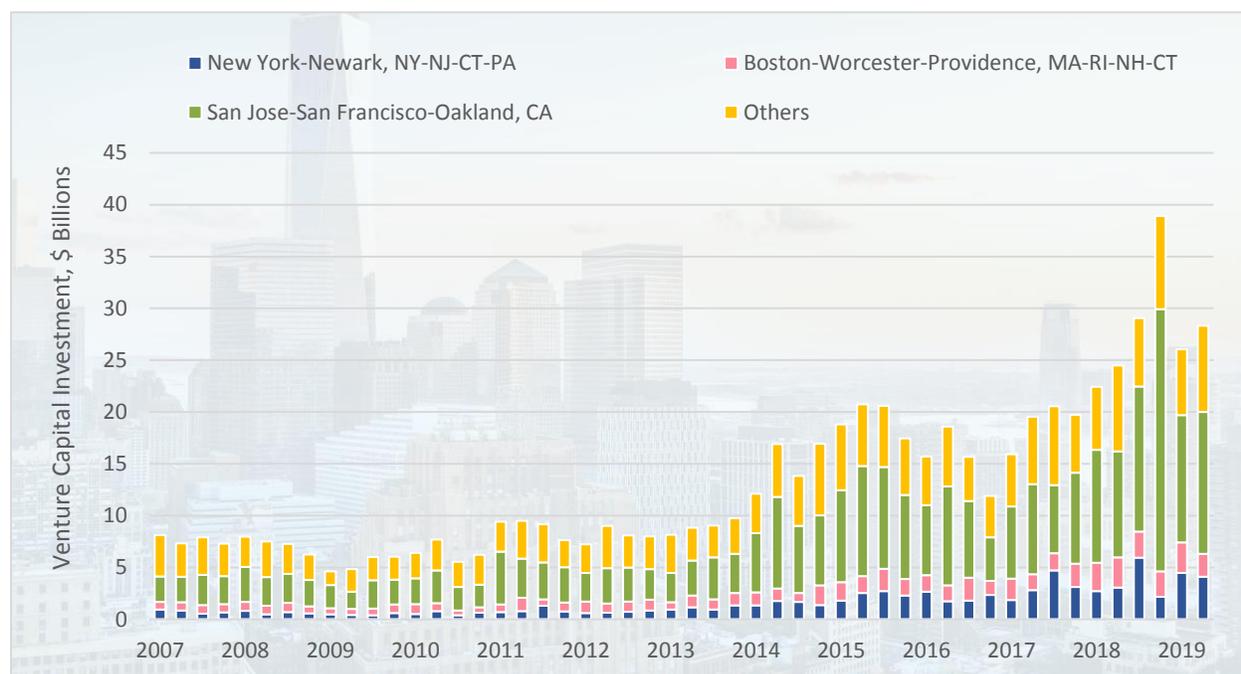


Source: U.S. Bureau of Labor Statistics

The inflation rate, as measured by the year-over-year change in the Consumer Price Index for urban consumers, was 1.6 percent in the New York metro area and 1.8 percent in the U.S. in Q2 2019.

Venture Capital Investment Hits A Record Second-Quarter High

Chart 8. Venture Capital Investment by Region, \$ in billions



Quarter	New York-Newark, NY-NJ-CT-PA	Boston-Worcester-Providence, MA-RI-NH-CT	San Jose-San Francisco-Oakland, CA	Others	Total
Q2 2019	\$4.11	\$2.22	\$13.67	\$8.32	\$28.32
Q1 2019	\$4.48	\$2.95	\$12.26	\$6.36	\$26.04
Q2 2018	\$3.05	\$2.94	\$10.21	\$8.28	\$24.47

Source: PwC MoneyTree

Venture capital (VC) investment in the New York metro area hits a record second-quarter high in Q2 2019. According to the PwC/CB MoneyTree Report⁷, total VC investment in the New York metro area rose 34.7 percent from a year ago to \$4.11 billion in Q2 2019, the highest second-quarter level on record. Total VC investment in the New York metro area was \$4.48 billion in Q1 2019. New York VC funding rounds

⁷ <https://www.pwc.com/us/en/moneytree-report/assets/moneytree-report-q2-2019.pdf>

included five rounds of over \$100 million of which, two were internet investments (Gympass and Lemonade), one was in software (UiPath), one in mobile (Foursquare), and one in healthcare (SpringWorks Therapeutics).⁸

Investment in the San Francisco Bay area, which usually has the highest concentration of VC investment, rose 33.9 percent from a year ago to \$13.67 billion in Q2 2019. San Francisco Bay area VC funding rounds included one round of over \$1 billion and three rounds of over \$500 million. One was in automotive and transportation (Cruise Automation), two were in internet (DoorDash and SoFi), and one in mobile (Uber). Total venture capital investment in the U.S. increased 15.7 percent to \$28.32 billion. (Chart 8).

The number of VC deals in the U.S., San Francisco, and the New York metro area fell in Q2 2019, on a year-over-year basis, reflecting a trend to fewer investments at higher values. The number of deals in the New York metro area fell to 212 in Q2 2019 from 241 in Q2 2018. The number of deals in San Francisco Bay area fell to 438 from 514 in Q2 2018. The number of deals in the U.S. fell to 1,389 from 1,644 in Q2 2018.

The NY metro area's share of VC investment rose to 14.5 percent in Q2 2019 from 12.5 percent in Q2 2018. The share of deals rose to 15.3 percent in Q2 2019 from 14.7 percent in Q2 2018. San Francisco Bay area's share of VC investment rose to 48.3 percent in Q2 2019 from 41.7 percent in Q2 2018.

⁸ For a detailed review of recent venture capital activity in New York City, see Office of the New York City Comptroller, *Venture Capital in New York City's Economy*, April 2019 (<https://comptroller.nyc.gov/reports/venture-capital-in-new-york-citys-economy/>)

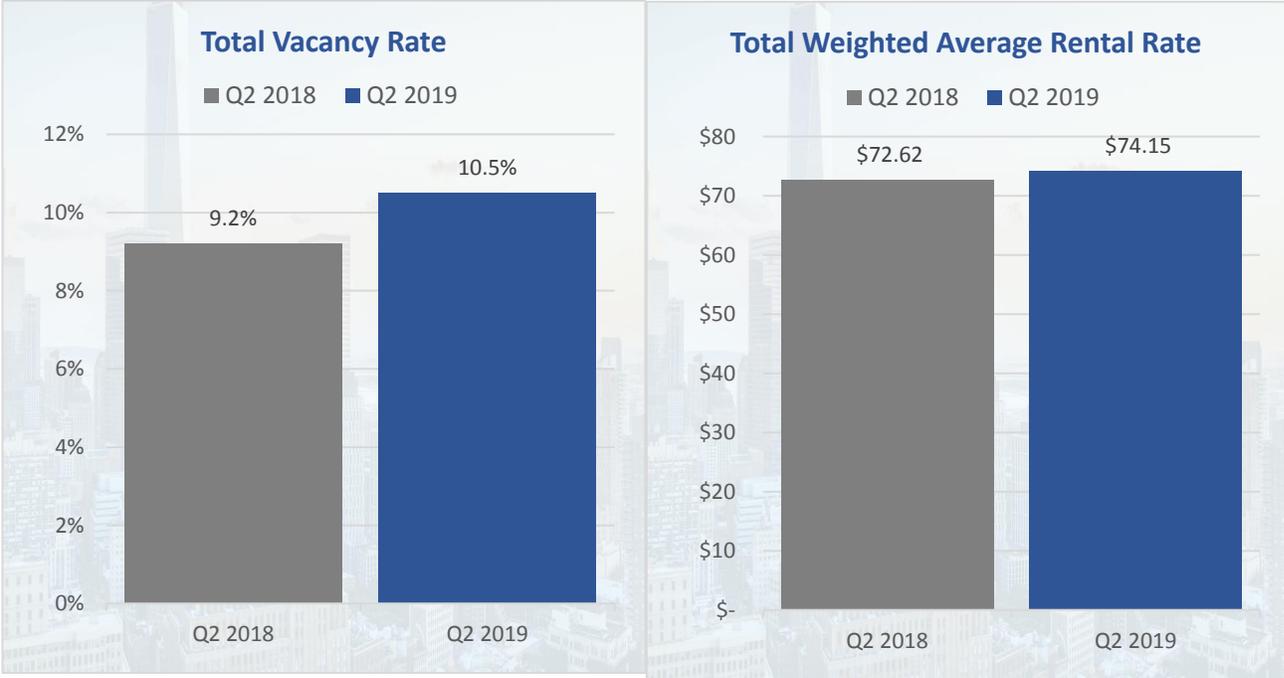
New Commercial Leasing Strong; Rents and Vacancy Rates Increase

According to Cushman and Wakefield, new commercial leasing activity in Manhattan increased by more than 10 million square feet (msf) in Q2 2019, 10.7 percent higher than Q2 2018 and 21.5 percent higher than Q1 2019. This increase was mainly due to 6.5 msf of leasing in Midtown, the strongest second quarter on record, over 1.8 msf of leasing in Downtown, and over 1.7 msf in Midtown South in Q2 2019.

Despite the increase in new commercial leasing, Manhattan’s overall commercial vacancy rate increased to 10.5 percent in Q2 2019 from 9.2 percent in Q2 2018. The predominant reason was increased supply of available space, which increased by more than 5.3 msf on a year-over-year basis. Available space increased in Midtown by 3.5 msf, in Midtown South by 1.6 msf, and in Downtown by about 0.3 msf, on a year-over-year basis. On a year-over-year basis, the vacancy rate rose 1.3 percentage points in Midtown to 10.5 percent, it increased 2.2 percentage points in Midtown South to 8.9 percent, and it increased 0.3 percentage points in Downtown to 11.6 percent in Q2 2019 (Chart 9).

On a weighted average basis commercial rents increased slightly in Manhattan although there were differences by neighborhood. Compared with Q2 2018, rents fell in Midtown, but increased in Downtown and Midtown South as higher-priced space entered those markets in Q2 2019.

Chart 9. Commercial Vacancy Rate and Rental Rate Increased



Source: Cushman & Wakefield

Residential Real Estate Sales Rise in Manhattan, But Fall in Brooklyn and Queens

Table 2. Residential Sales Rises in Manhattan, But Falls in Brooklyn, and Queens

	Manhattan	Brooklyn	Queens
Avg. Sales Price	\$2,095,734	\$1,030,200	\$629,292
Avg. Sales Price (Y/Y, %)	0.2%	4.7%	-0.1%
Number of Sales	2,957	2,561	3,022
Number of Sales (Y/Y, %)	12.5%	-4.5%	-11.7%
Listing Inventory	7,558	3,405	6,004
Listing Inventory (Y/Y, %)	8.2%	27.3%	23.4%
Absorption Rate (Months)	7.7	4.0	6.0
Days on Market	114	102	107
Days on Market (Y/Y, %)	10.7%	-4.7%	-27.2%

Source: Douglas Elliman

According to Douglas Elliman, housing prices were essentially flat in Manhattan and Queens, and increased in Brooklyn in Q2 2019, on a year-over-year basis. Prices in Manhattan and Queens changed by 0.2 percent and -0.1 percent, respectively while prices in Brooklyn rose 4.7 percent.

In Manhattan the sales volume rose 12.5 percent to 2,957 in Q2 2019, the first increase after six consecutive quarters of decline. However, the listing inventory also rose 8.2 percent from the prior year to 7,558. As a result, the absorption rate, defined as the number of months to sell all inventory at the current rate of sales, fell to 7.7 months in Q2 2019 from 8.0 months in Q2 2018. Days on the market from the last list date increased to 114 days in Q2 2019 from 103 days a year ago.

In Brooklyn, the sales volume declined 4.5 percent, on a year-over-year basis, to 2,561, leading to a 27.3 percent rise in the listing inventory to 3,405. Also the absorption rate rose to 4.0 months in Q2 2019 from 3.0 in Q2 2018, and the number of days on the market fell to 102 from 107.

In Queens, the sales volume fell 11.7 percent to 3,022 in Q2 2019 over Q2 2018. As a result, the listing inventory rose 23.4 percent to 6,004 in Q2 2019 compared with the same period last year. The number of days on the market fell to 107 days in Q2 2019, 27.2 percent less than the 147 days in Q2 2018. The absorption rate rose to 6.0 months in Q2 2019 from 4.3 months in Q2 2018.

Douglas Elliman reports that the number of 1- to 3-family homes sold fell in Brooklyn (-7.9 percent), and in Queens (-9.4 percent) in Q2 2019, on a year-over-year basis. However, the average sales price per square foot rose 10.3 percent in Brooklyn and 1.6 percent in Queens in Q2 2019 over Q2 2018.

The average rental price increased according to Douglas Elliman, but the number of new leases fell in June 2019, from June 2018. The average rental price rose 3.4 percent in Manhattan, 7.7 percent in Brooklyn,

and 6.5 percent in Queens in June 2019, on a year-over-year basis. On the other hand, the number of new leases fell 9.6 percent in Manhattan, fell 16.6 percent in Brooklyn and fell 11.3 percent in Queens in June 2019. The vacancy rate in Manhattan remained unchanged at 1.61 percent in June 2019, the same as in June 2018.

Further signs of softness in the residential housing market are provided by StreetEasy⁹, which reports that the citywide median sale-to-list ratio – the final recorded sales price of a home or apartment as a percentage of its initial asking price – was 95.1 percent in Q2 2019, down from 96.8 percent in Q2 2018, and below the long-term (since 2010) average of 96.2 percent. A lower sale-to-list ratio is an indicator that sellers are not realizing the value they believe they have in their properties.

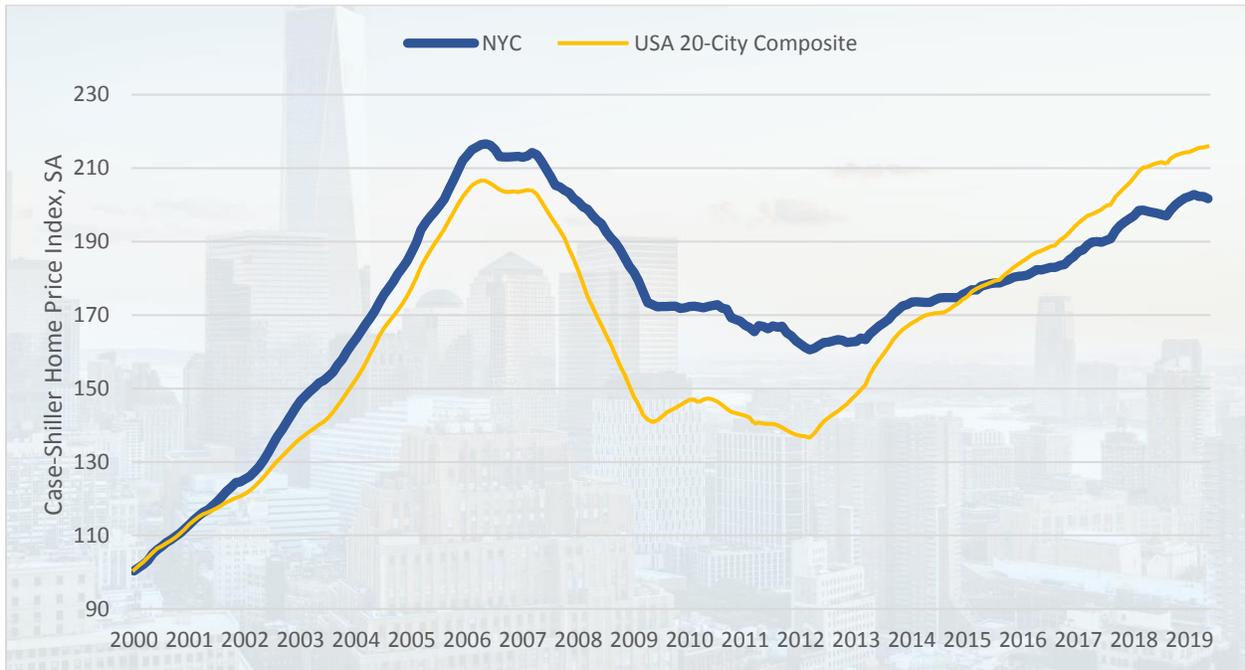
Additionally, the share of all active sales listings on StreetEasy that had a reduction in asking price during Q2 2019 was 13.6 percent up from the 12.6 percent in recorded in Q2 2018.

Finally, according to the Case-Shiller index, which tracks single-family home prices, single family homes in the New York metro area lagged price growth in the U.S. on average. The New York metro area home price index increased 2.0 percent in April-May 2019 over the same period in 2018, while the U.S. 20-city composite index rose 2.5 percent. As a comparison, the U.S. inflation rates was 1.9 percent and NYC inflation rate was 1.6 percent in April-May 2019 on a year-over-year basis.

According to Case-Shiller, U.S. home prices have recovered their losses from the last recession while the New York metro area still lags behind. As of May 2019, the U.S. 20-city composite index was 58.1 percent higher than its trough in 2012 and 4.5 percent above its previous peak in 2006. In comparison, the New York metro area home price index was 25.6 percent higher than at its trough in March of 2012, but was still 6.9 percent below the peak reached in May 2006 (Chart 10).

⁹ <https://streeteasy.com/blog/data-dashboard/>

Chart 10. NYC Single Family Home Prices Lag the Nation

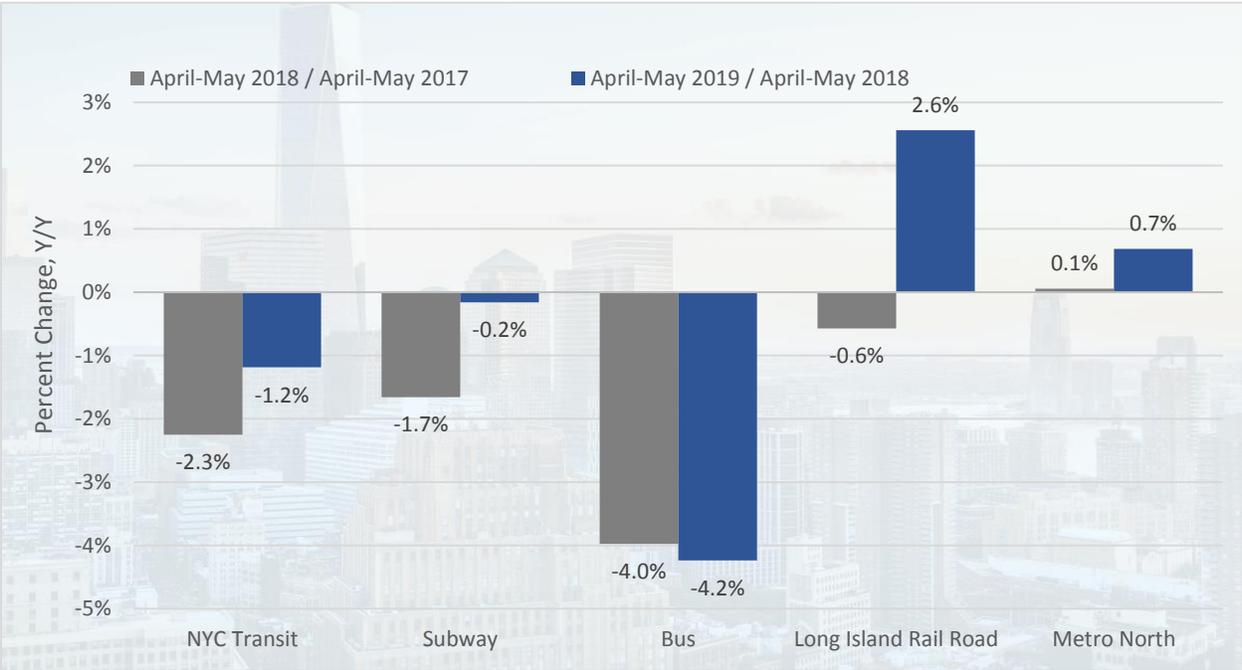


Source: Standard and Poor's Case-Shiller Home Price Index

Other Indicators

Average weekday ridership on MTA NYC Transit (buses and subways) fell 1.2 percent in April-May of 2019 from a year ago. Average weekday ridership on the system’s subways fell 0.2 percent and fell 4.2 percent for bus ridership. During the same period, ridership on the Long Island Rail Road (LIRR) rose 2.6 percent and rose 0.7 percent on Metro North (Chart 11). Ridership, especially on the LIRR and Metro North, usually reflects the City’s economic activity and employment. Reasons for the decline in ridership are thought to be poor service, fare evasion, and the rapid rise of Uber and other for-hire vehicles.¹⁰ The trend of declining public transit usage is also seen in other large systems nationally.

Chart 11. NYC Public Transportation Ridership Mixed



Source: Metropolitan Transportation Authority

According to the Broadway League, **Broadway show ticket revenues decreased while attendance increased in Q2 2019, on a year-over-year basis.** Total gross weekly Broadway ticket sales were about \$467 million in Q2 2019, 6.8 percent less than in Q2 2018, the first second-quarter decline since 2016. However, second-quarter total attendance increased for the fourth consecutive year to over four million in Q2 2019, 2.0 percent more than in Q2 2018.

The City’s hospitality market cooled off in April-May of 2019 over the same period in 2018. According to CBRE Hotels, the hotel occupancy rate in Manhattan averaged 89.9 percent in April-May 2019, slightly

¹⁰ <https://www.nytimes.com/2018/08/01/nyregion/subway-ridership-nyc-metro.html>

less than 90.4 percent during the same time in 2018. Similarly, the average daily room rate was \$299.06 in April-May 2019, lower than \$302.37 in April-May 2018.

Leading Economic Indicators Continue to Point to Growth

Leading economic indicators signal continued expansion. An assessment of business conditions among firms in the New York City area is provided by ISM-New York, Inc. The most recent report shows that business conditions in the New York City metro area were still doing well in Q2 2019. The current business condition index (which measures the current state of the economy from the perspective of business procurement professionals) fell for the third consecutive quarter and posted 58.6 percent in Q2 2019, from the all-time peak of 74.7 percent in Q3 2018. However, any number above 50 percent indicates the expectation of continued expansion. Conversely, the ISM six-month outlook (which measures where procurement professionals expect the economy to be in six months) rose to 61.7 in Q2 2019, well above the 50 percent threshold. The NY-BCI (which measures the cumulative change in business activity) rose to a record high of 882.3 in Q2 2019 from 861.6 in Q1 2019.

Initial unemployment claims, which shows the number of applicants for unemployment insurance, declined for the sixth consecutive quarter (on a year-over-year basis) to its lowest second quarter level on record in Q2 2019. According to the NYS Department of Labor, average initial unemployment claims fell 1.2 percent, on a year-over-year basis, to 27,278 in Q2 2019.

The U.S. Department of Housing and Urban Development, which provides the number of building permits in the City, shows that the total number of building permits in the City rose 3.3 percent from a year ago to 5,657, the highest second-quarter level since 2015 (Table 3). Higher number of building permits signals more construction expected in the future.

Table 3: Leading Economic Indicators Mixed, But Positive

	Q2 2018	Q1 2019	Q2 2019
ISM-New York Metro Area, SA* Current Business Conditions	58.6	63.8	58.6
ISM-New York Metro Area, SA* Six-Month Outlook	67.8	60.9	61.7
ISM-New York Metro Area, SA* NY-BCI	782.3	861.6	882.3
Initial Unemployment Claims (Source: NYS DOL)	27,603	27,862	27,278
Number of Building Permits (Source: HUD)	5,476	6,329	5,657

Source: ISM-New York, Inc.

Table 4: Second Quarter 2019 Economic Indicators Compared to Q1 2019 and Q2 2018

		Q2 2018	Q1 2019	Q2 2019
County Unemployment Rate, NSA (Source: NYS DOL)	Bronx	5.3%	6.2%	6.4%
	Kings	4.0%	4.7%	4.2%
	New York	3.5%	4.1%	3.6%
	Queens	3.4%	4.0%	3.5%
	Richmond	3.9%	4.5%	3.9%
Commercial Vacancy Rate (Source: Cushman & Wakefield)	Midtown	9.2%	10.1%	10.5%
	Midtown South	6.7%	9.3%	8.9%
	Downtown	11.3%	11.0%	11.6%
	Manhattan Total	9.2%	10.2%	10.5%
Commercial Rental Rate (per sq ft) (Source: Cushman & Wakefield)	Midtown	\$77.44	\$75.42	\$75.56
	Midtown South	\$71.07	\$80.62	\$82.32
	Downtown	\$62.09	\$63.27	\$63.40
	Manhattan Total	\$72.62	\$73.28	\$74.15
Number of Apartment Sales (Source: Douglas Elliman)	Manhattan	2,629	2,121	2,957
	Brooklyn	2,683	2,216	2,561
	Queens	3,421	2,907	3,022
Case-Shiller Home Price Index, NSA (Source: S&P) 100=2000	NY Metro Area	197.4	201.0	200.9*
	US 20-City Composite	211.8	212.8	216.3*
Hotel Industry (Source: CBRE Hotels)	Average Daily Occupancy Rate	90.8%	78.6%	89.9%*
	Average Daily Room Rate	\$304.70	\$221.28	\$299.06*
MTA Average Weekday Ridership (Source: MTA)	NYC Transit	7,506,291	7,139,243	7,475,703*
	Subway	5,625,734	5,378,469	5,645,168*
	Bus	1,880,557	1,760,774	1,830,535*
	Long Island Rail Road	314,215	306,121	314,904*
	Metro North	297,176	278,981	294,492*
ISM-New York Metro Area, SA (Source: ISM-New York, Inc.)	Current Business Conditions	58.6	63.8	58.6
	Six-Month Outlook	67.8	60.9	61.7
	NY-BCI	782.3	861.6	882.3
Initial Unemployment Claims (Source: NYS DOL)	Initial Unemployment Claims	27,603	27,862	27,278
Number of Building Permits (Source: HUD)	Number of Building Permits	5,476	6,329	5,657

*Data for Q2 2019 includes April and May, excludes June.

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