

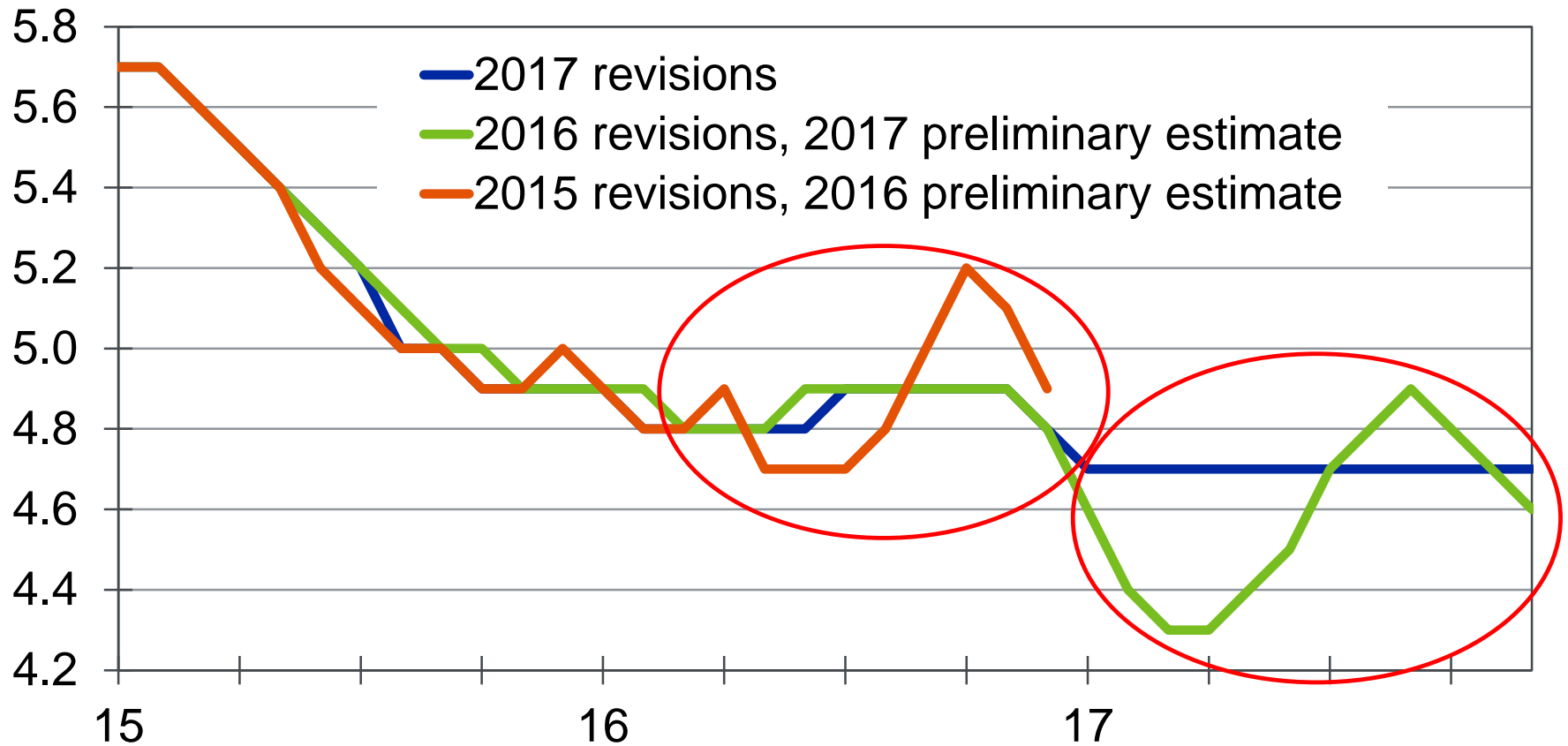
# The New York Outlook

**Adam Kamins**, Director, Moody's Analytics

June 2018

# A Pattern Emerges in New York

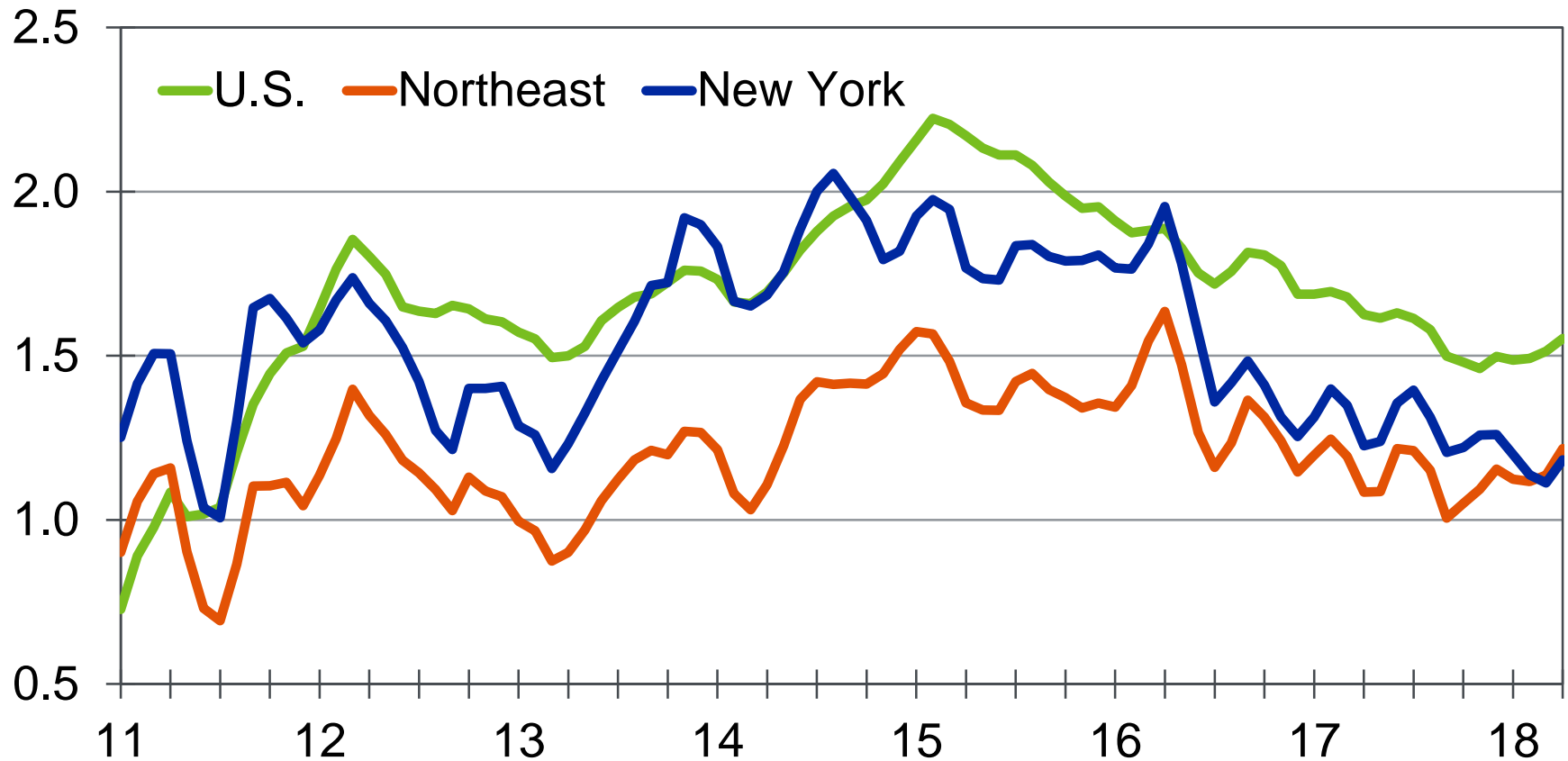
Unemployment rate, %



Sources: BLS, Moody's Analytics

# Job Gains Fall Off the Pace

Employment, 3-mo MA, % change yr ago



Sources: BLS, Moody's Analytics

# Payroll Employment—Northeast MSAs

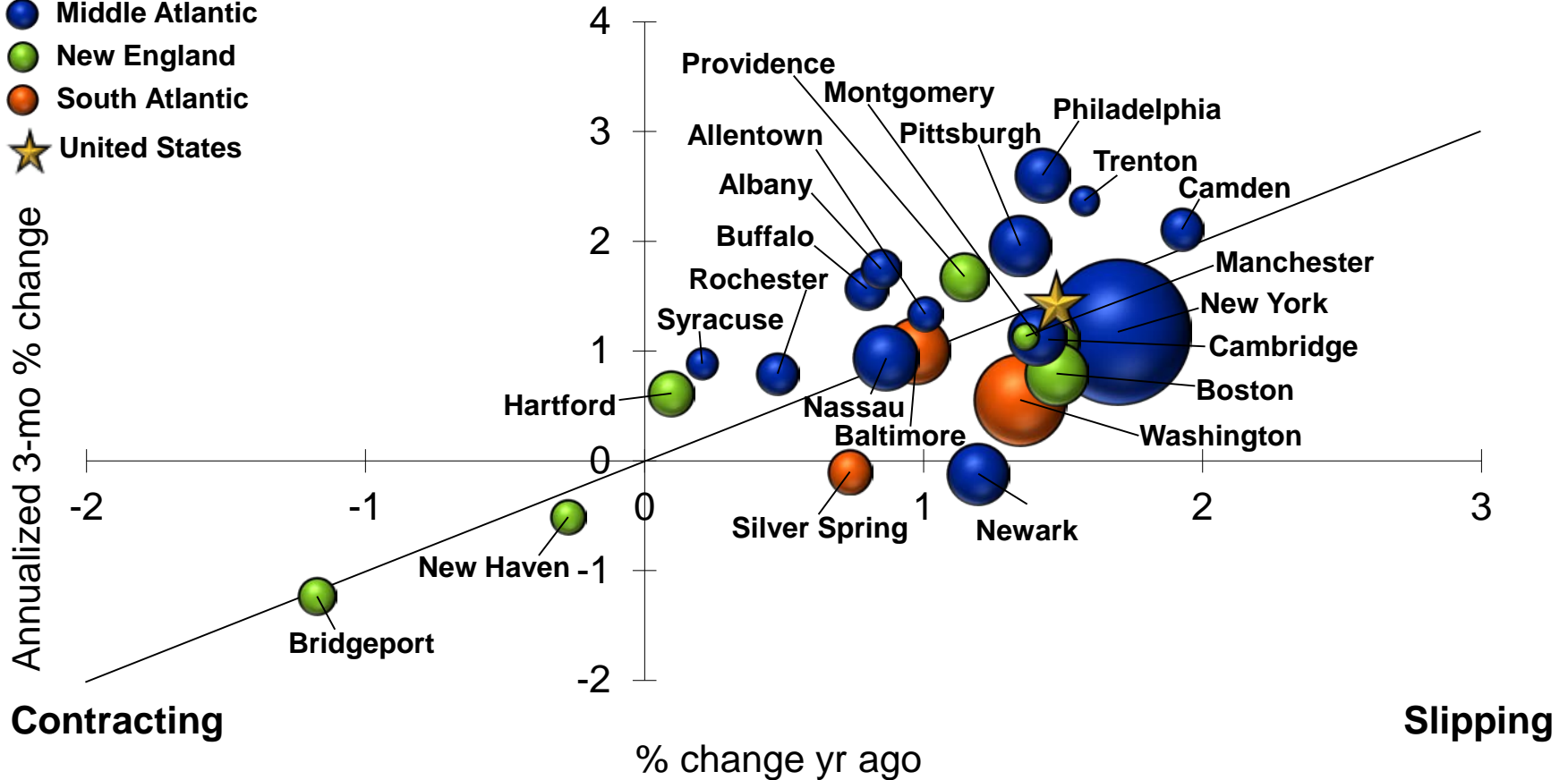
1-yr vs. 3-mo performance (3-mo. MA)

Oct 2017

Improving

Expanding

- Middle Atlantic
- New England
- South Atlantic
- ★ United States



Note: Size reflects relative total employment

# Payroll Employment—Northeast MSAs

1-yr vs. 3-mo performance (3-mo. MA)

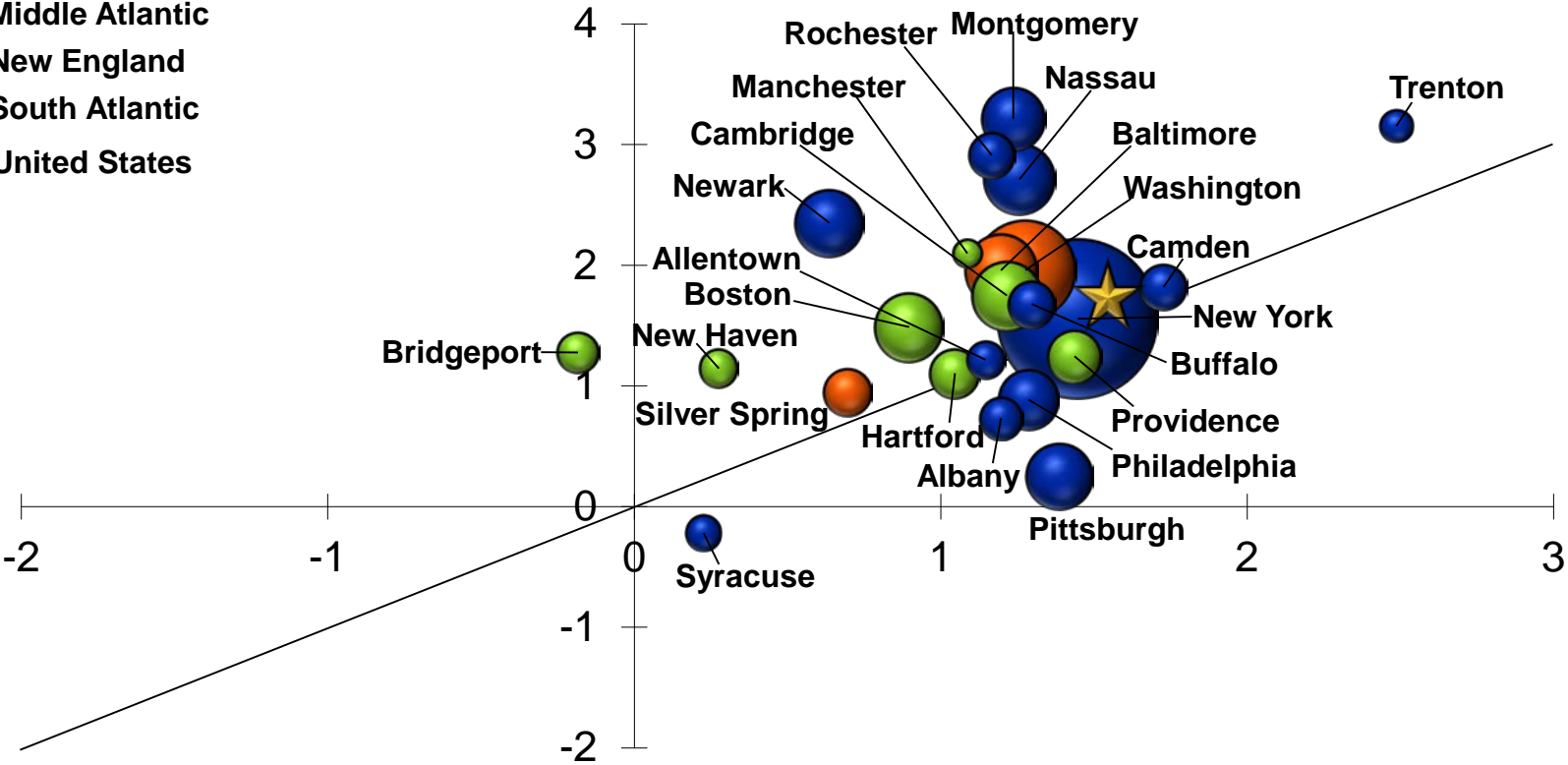
Apr 2018

**Improving**

**Expanding**

- Middle Atlantic
- New England
- South Atlantic
- ★ United States

Annualized 3-mo % change



**Contracting**

**Slipping**

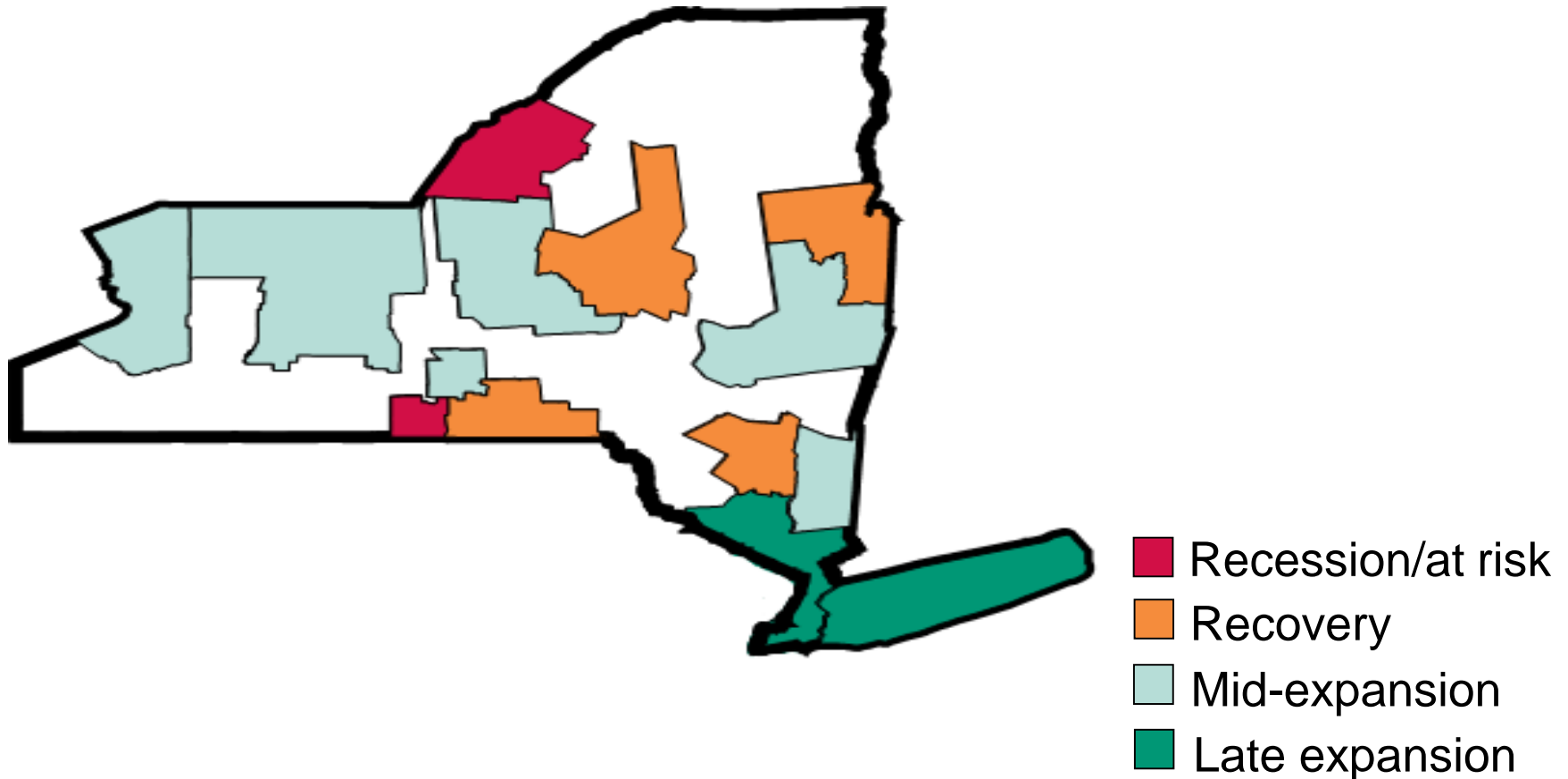
% change yr ago

Note: Size reflects relative total employment



# A Tale of Multiple Economies

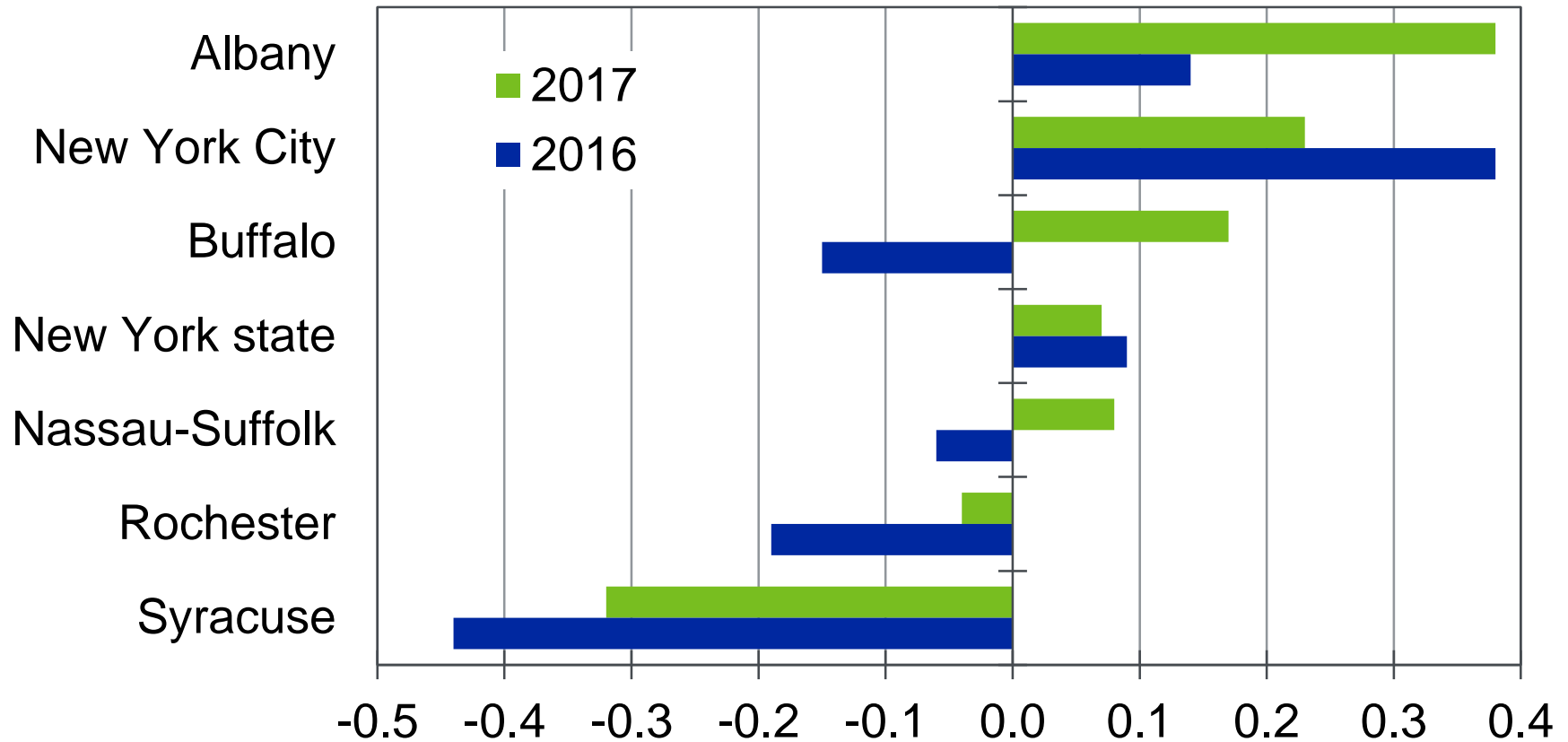
Business cycle status as of Mar 2018 data



Source: Moody's Analytics

# Demographics Outside NYC Improve

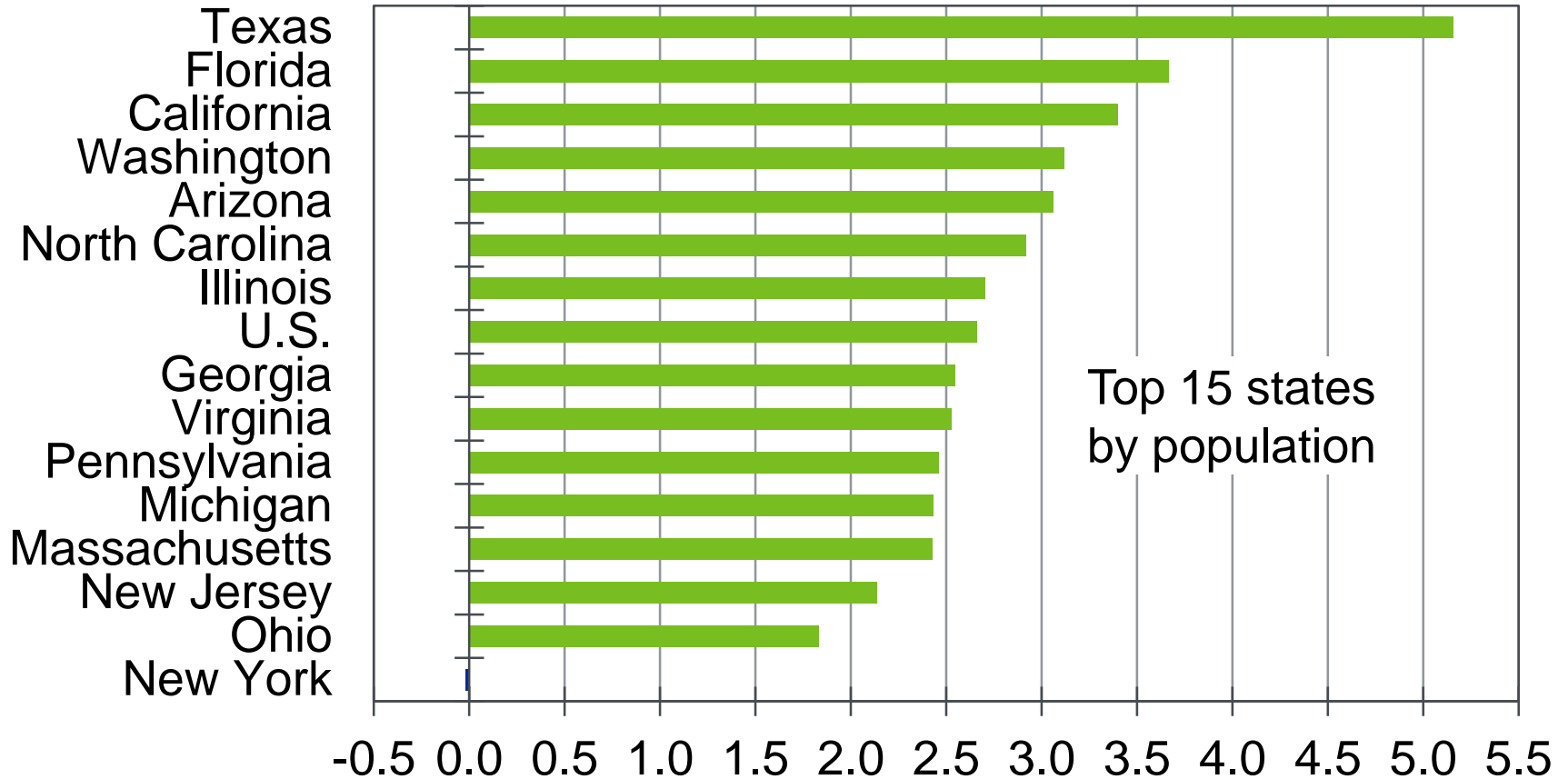
Population, % change yr ago



Sources: Census Bureau, Moody's Analytics

# Output Growth Grinds to a Halt

GDP, 2009\$, annual % change, 2017Q3-2017Q4

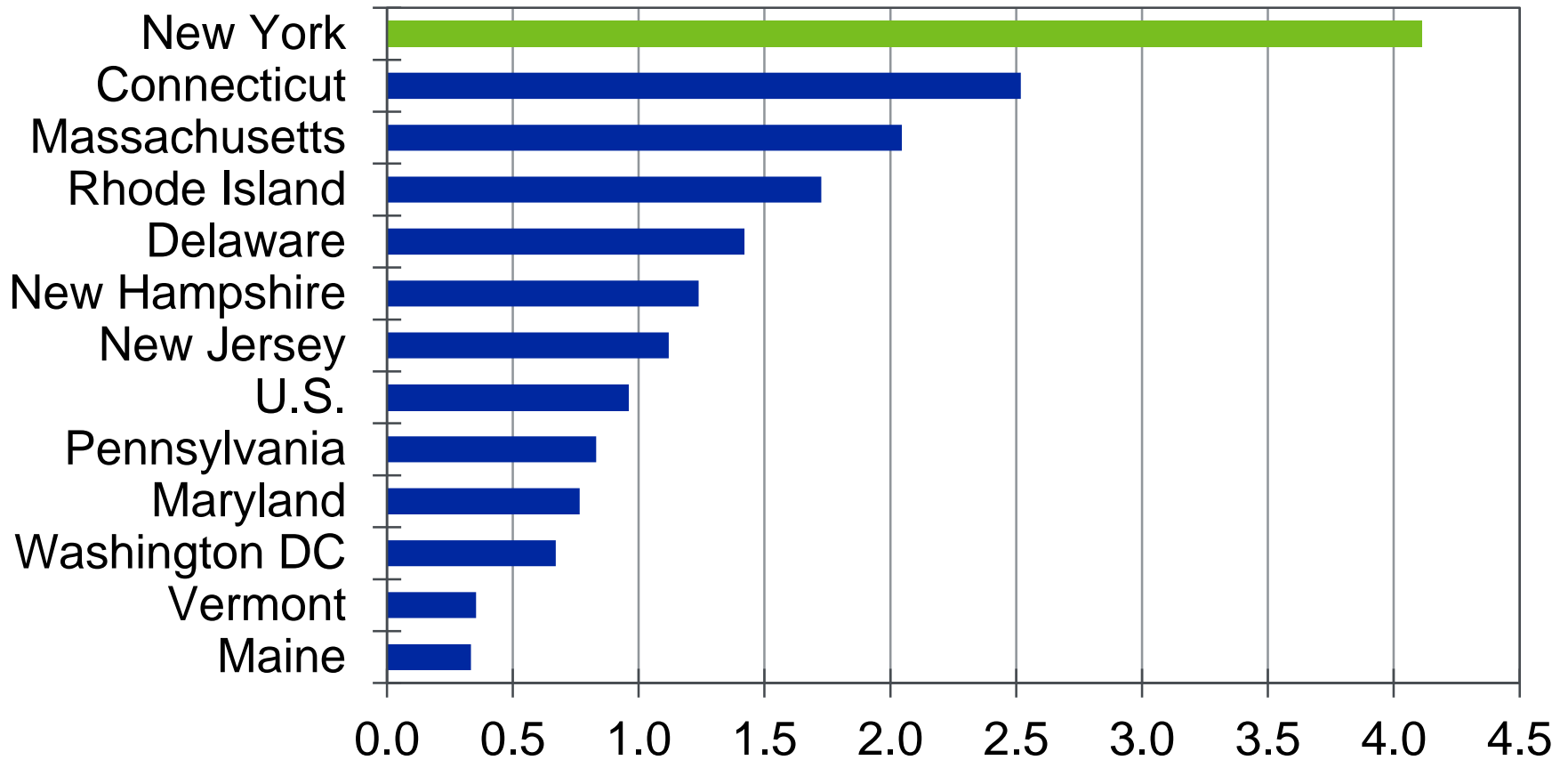


Sources: BEA, Moody's Analytics



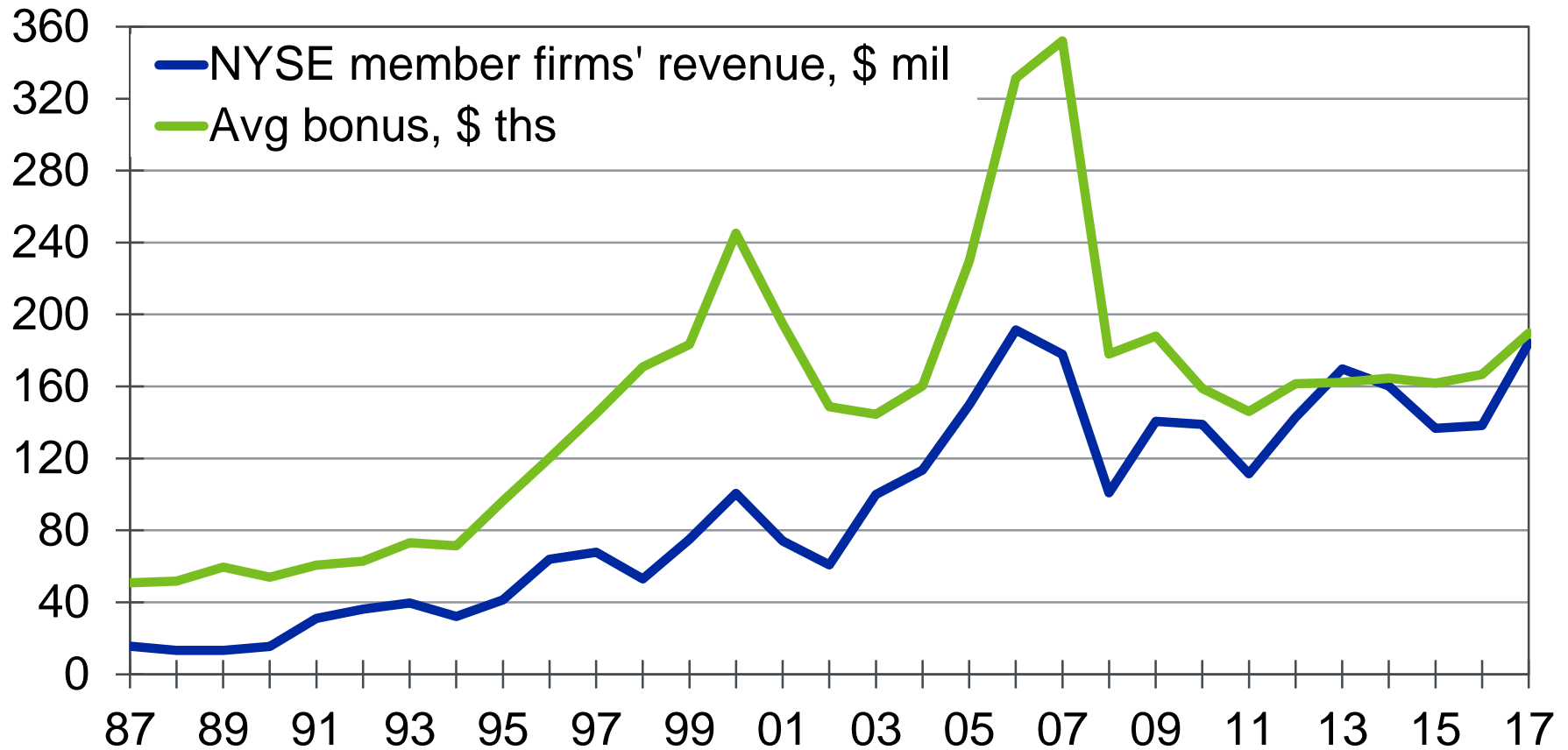
# New York Is Exposed to Wall St. Swings...

Securities industry output, share of total, 2017Q4



Sources: BEA, Moody's Analytics

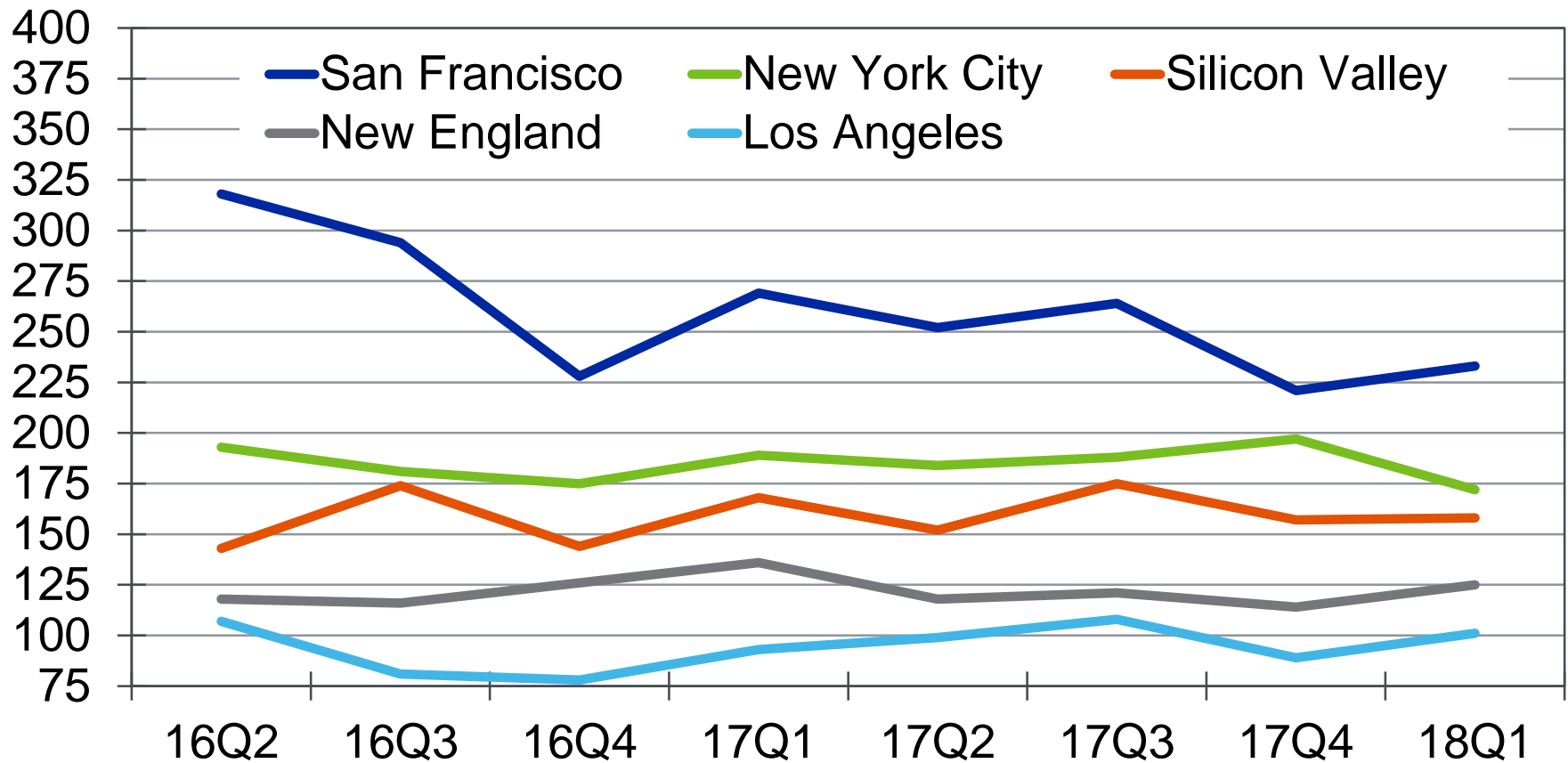
## ...But It Was on the Right Side in 2017



Sources: RealtyTrac, Moody's Analytics

# Venture Capital Flows Into Silicon Alley

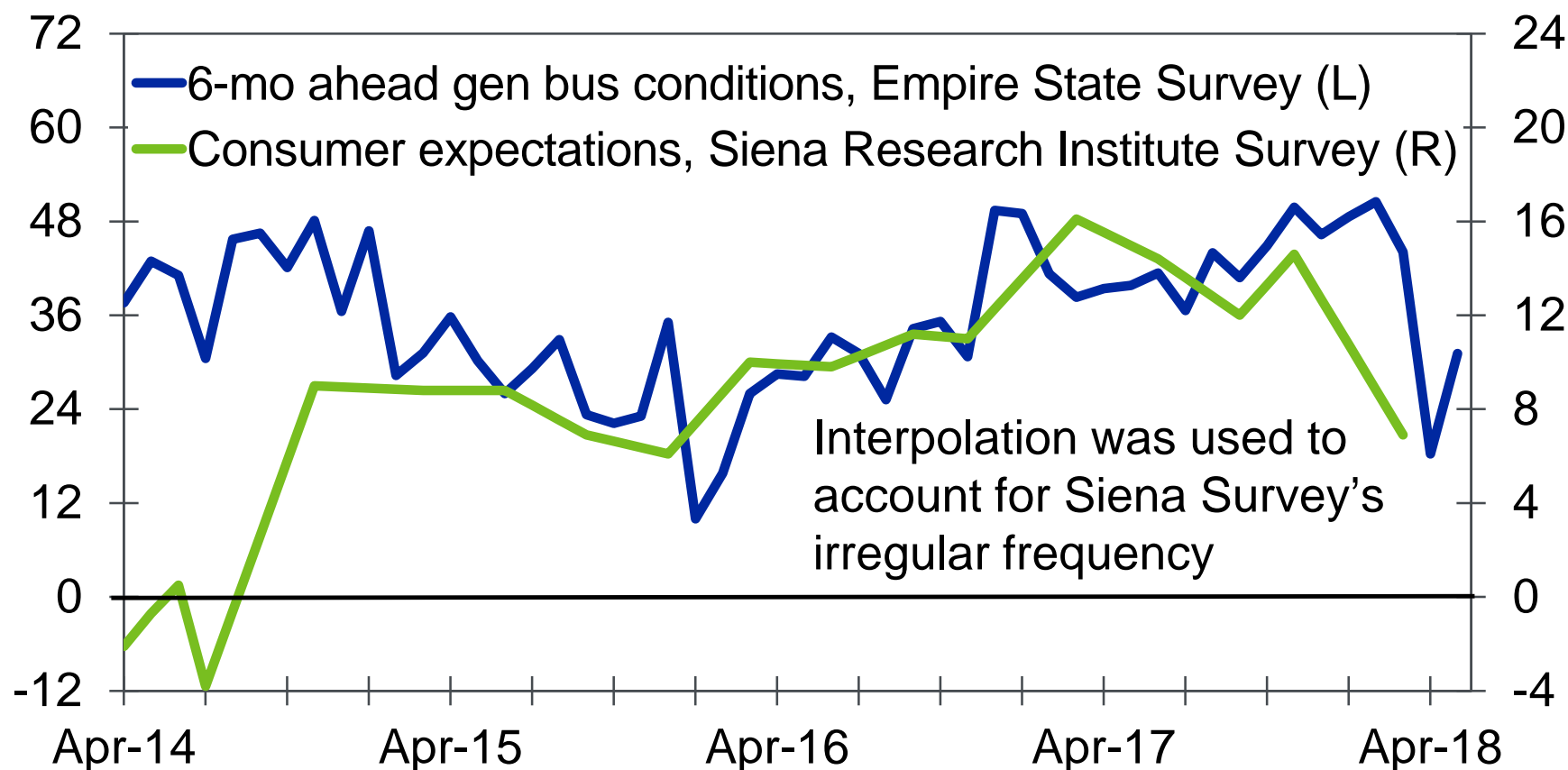
Number of venture capital deals



Sources: PwC, Money Tree, Moody's Analytics

# Consumers and Firms Are Less Sanguine

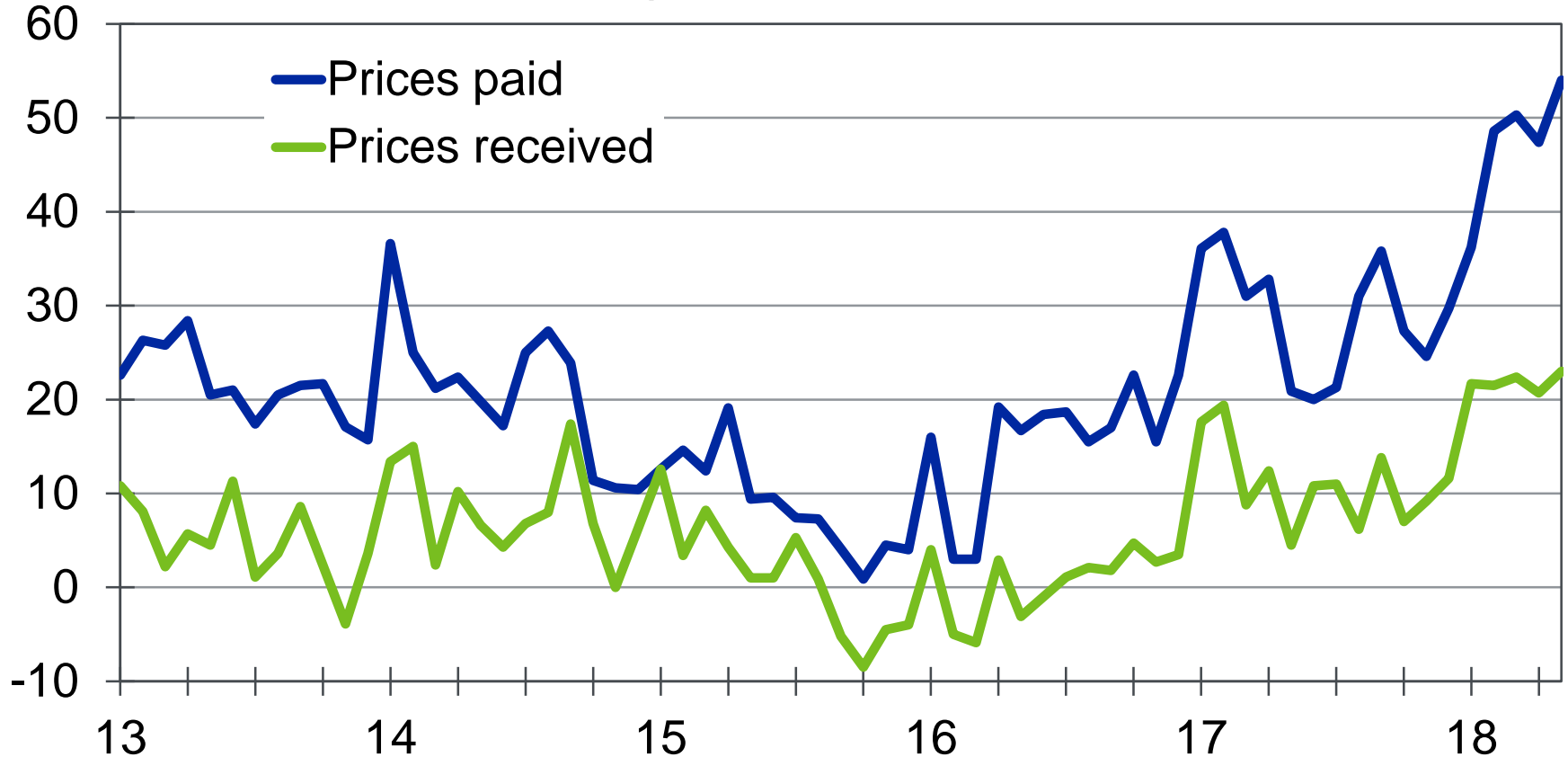
Diffusion index, neutral threshold=0



Sources: Federal Reserve Bank of NY, Siena Research Institute, Moody's Analytics

# Inflation Pressures Mount for Factories

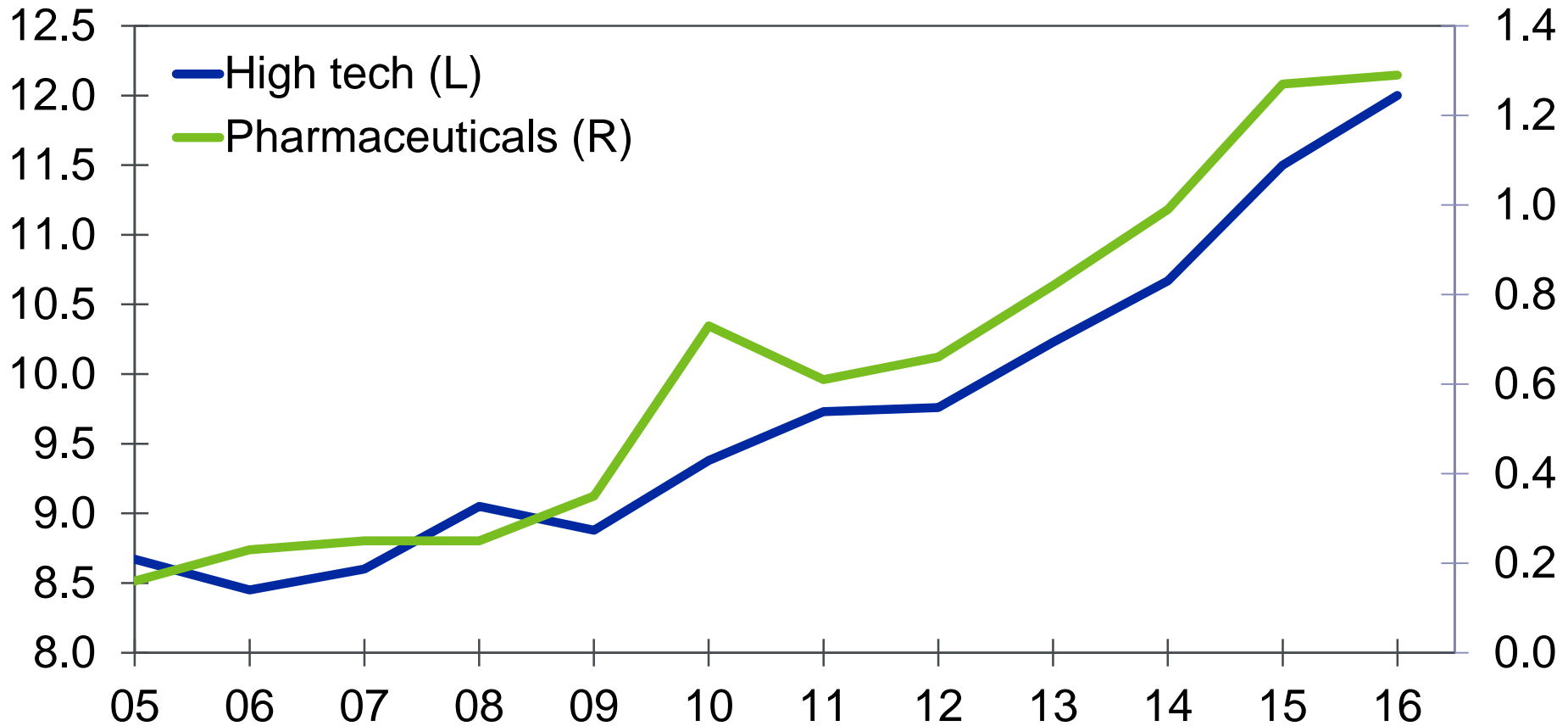
Diffusion index, current vs. previous mo



Sources: Federal Reserve Bank of NY, Moody's Analytics

# Trade War Would Sting Capital Region

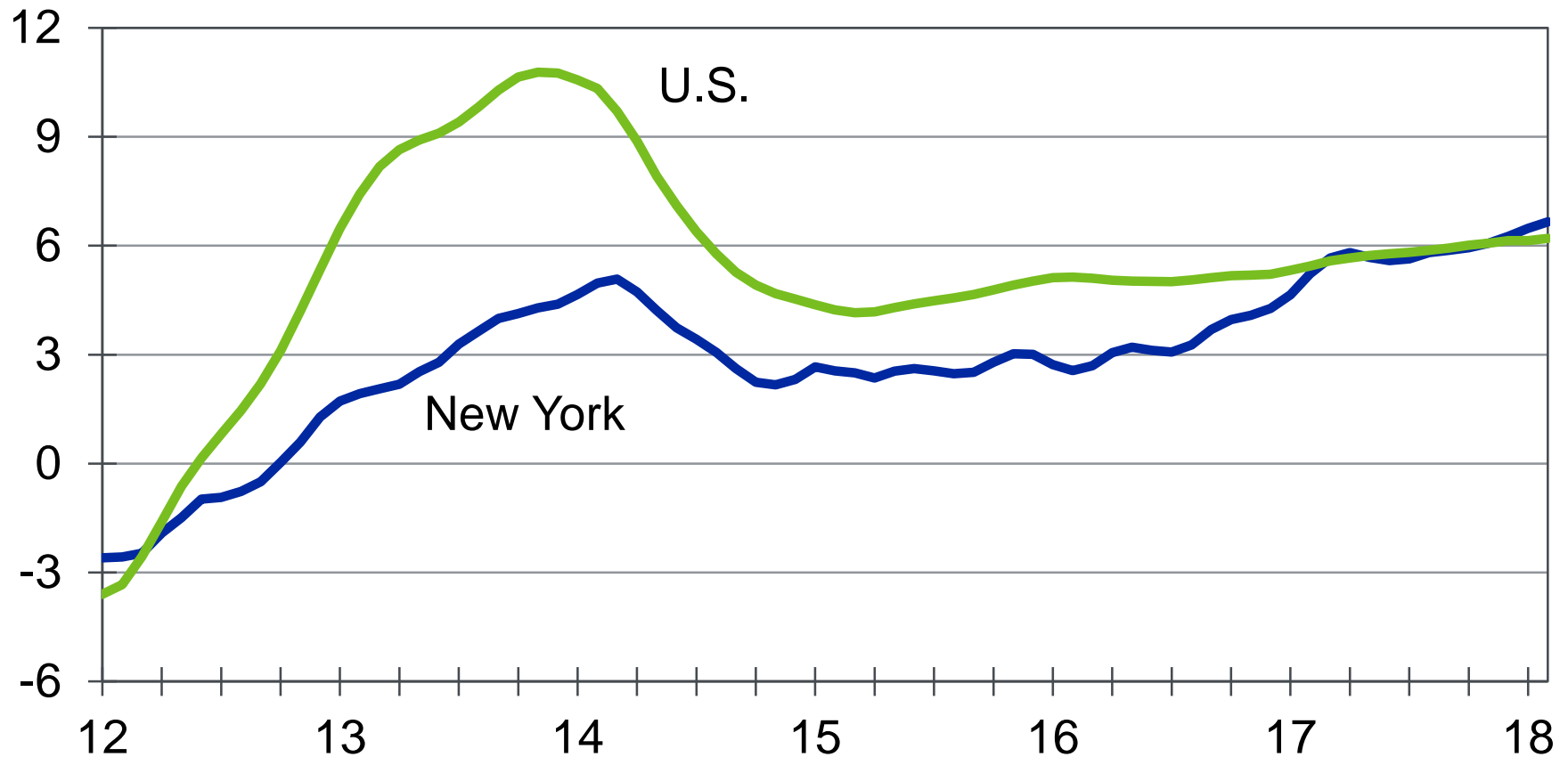
Share of output, Albany metro area, %



Sources: BEA, BLS, Moody's Analytics

# Single-Family Price Growth Exceeds U.S.

Case-Shiller® Home Price Index, 3-mo MA, % change yr ago

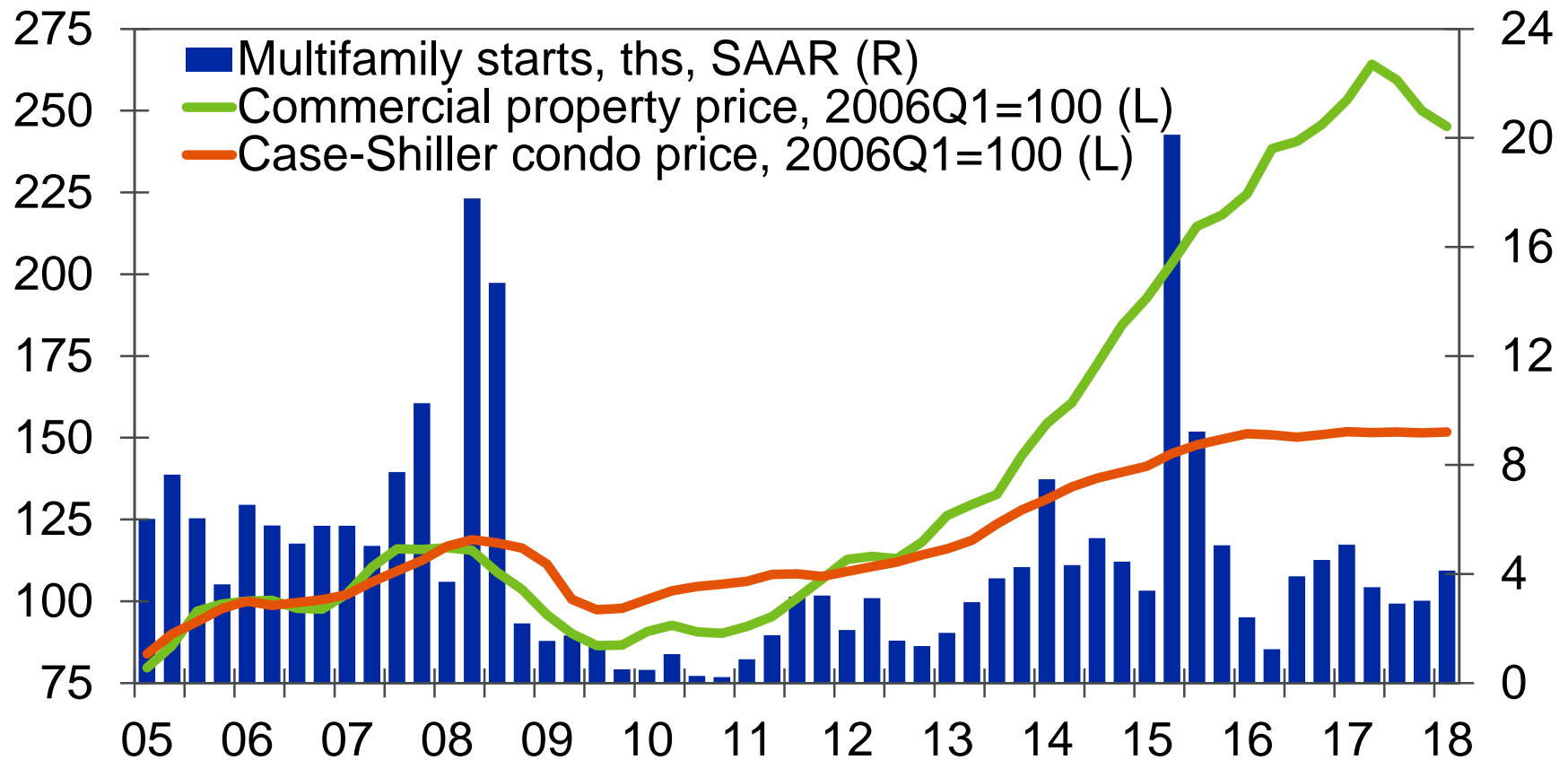


Sources: CoreLogic, Moody's Analytics



# Multifamily Glut Weighs on Prices

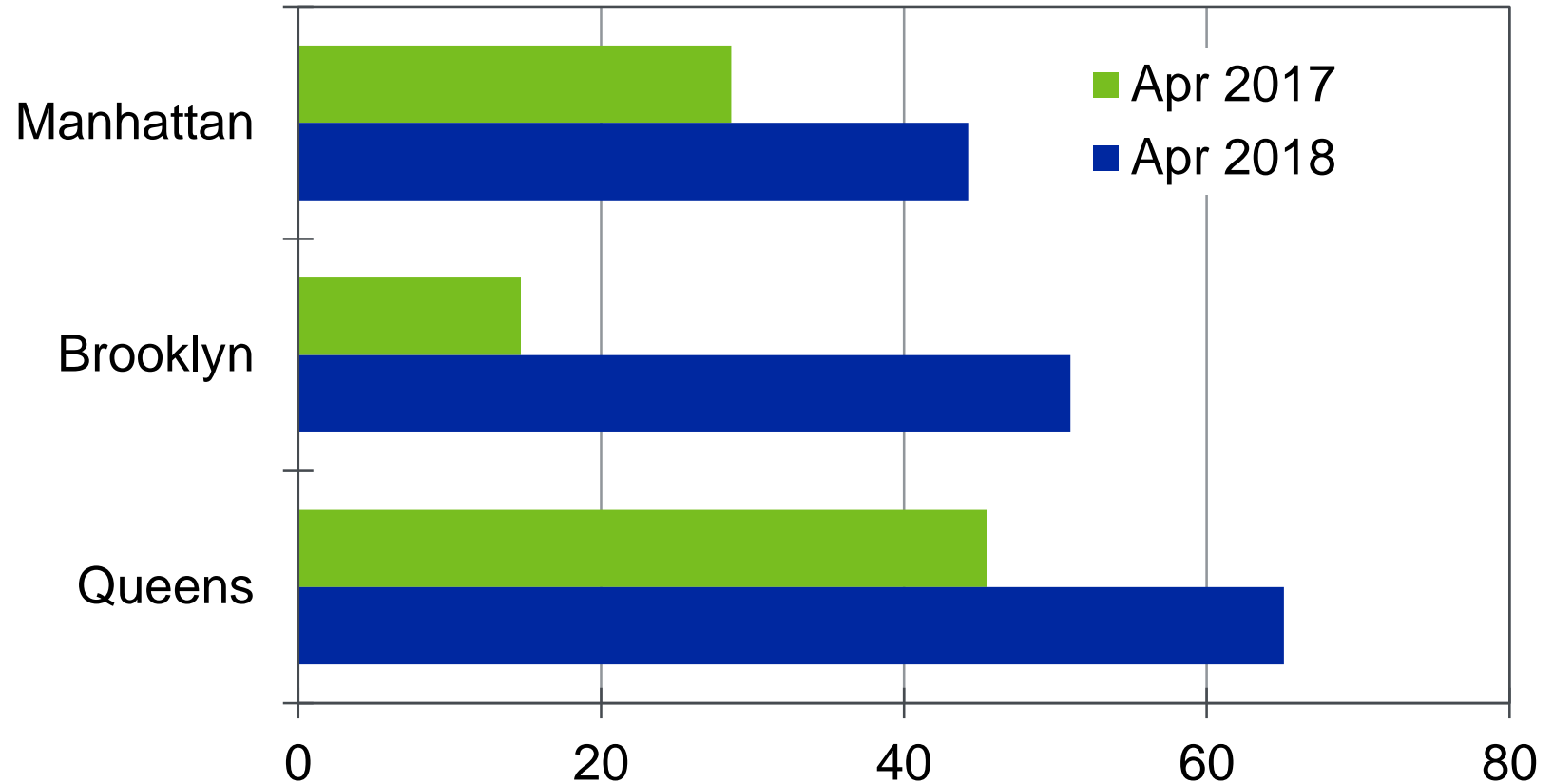
## Manhattan



Sources: Census Bureau, Real Capital Analytics, CoreLogic, Moody's Analytics

# Concessions Skyrocket in the Big Apple...

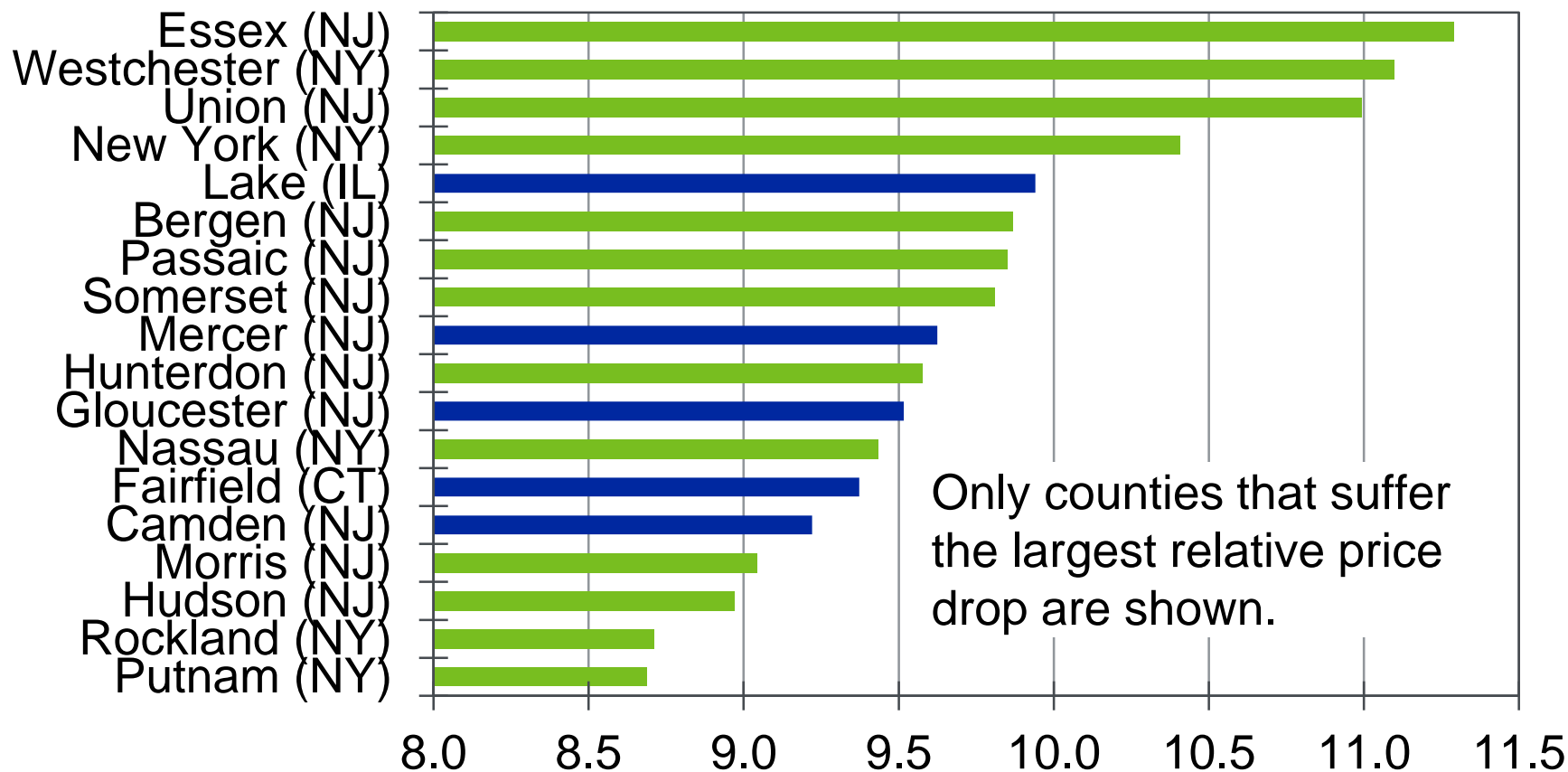
Share of new apartment leases with landlord concessions, %



Sources: Douglas Elliman, Moody's Analytics

# ...And Tax Law Hurts NYC-Area Housing

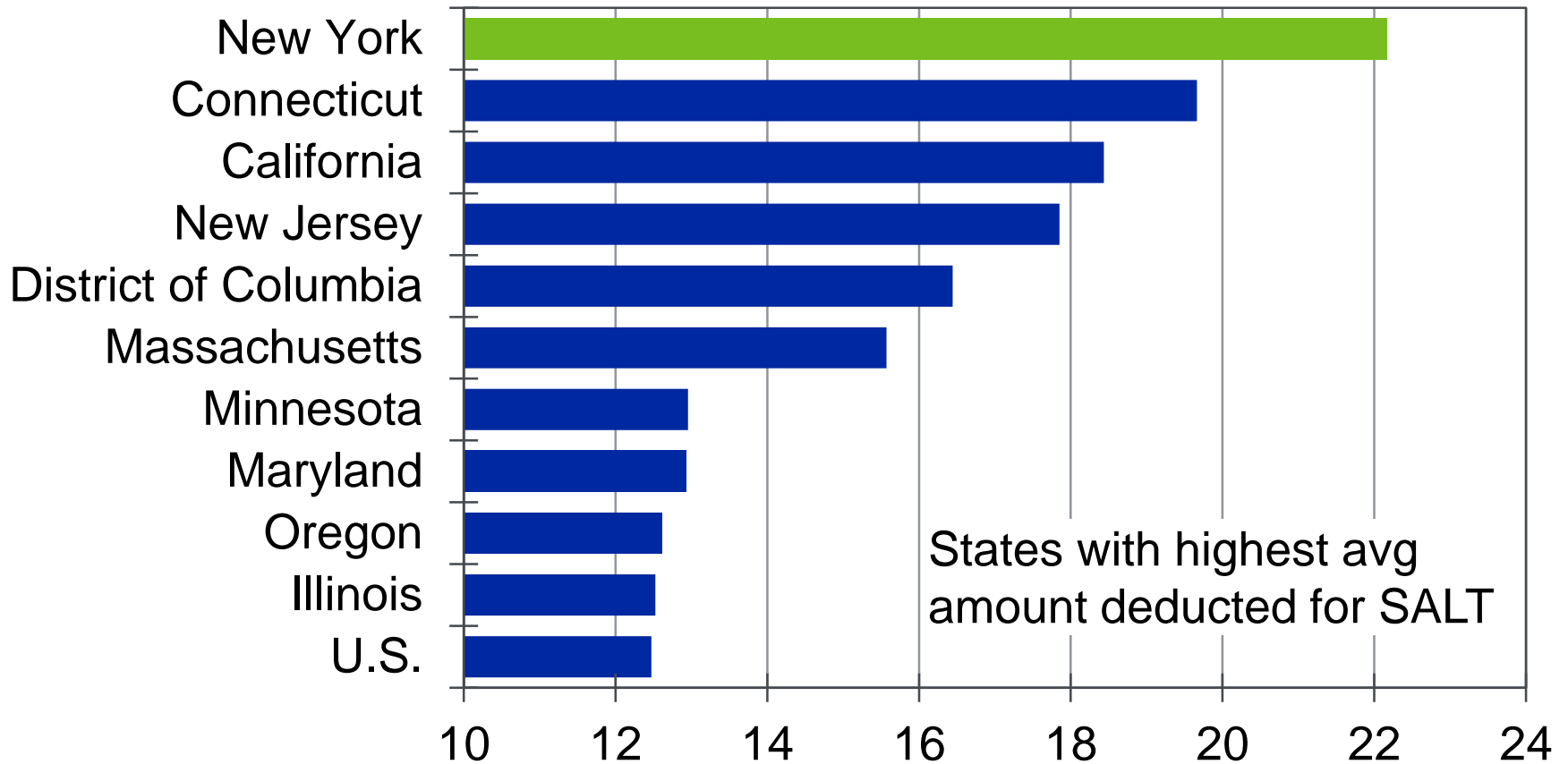
Max % decline in house prices relative to no change in tax code



Source: Moody's Analytics

# Cap on SALT Deduction Will Be Painful

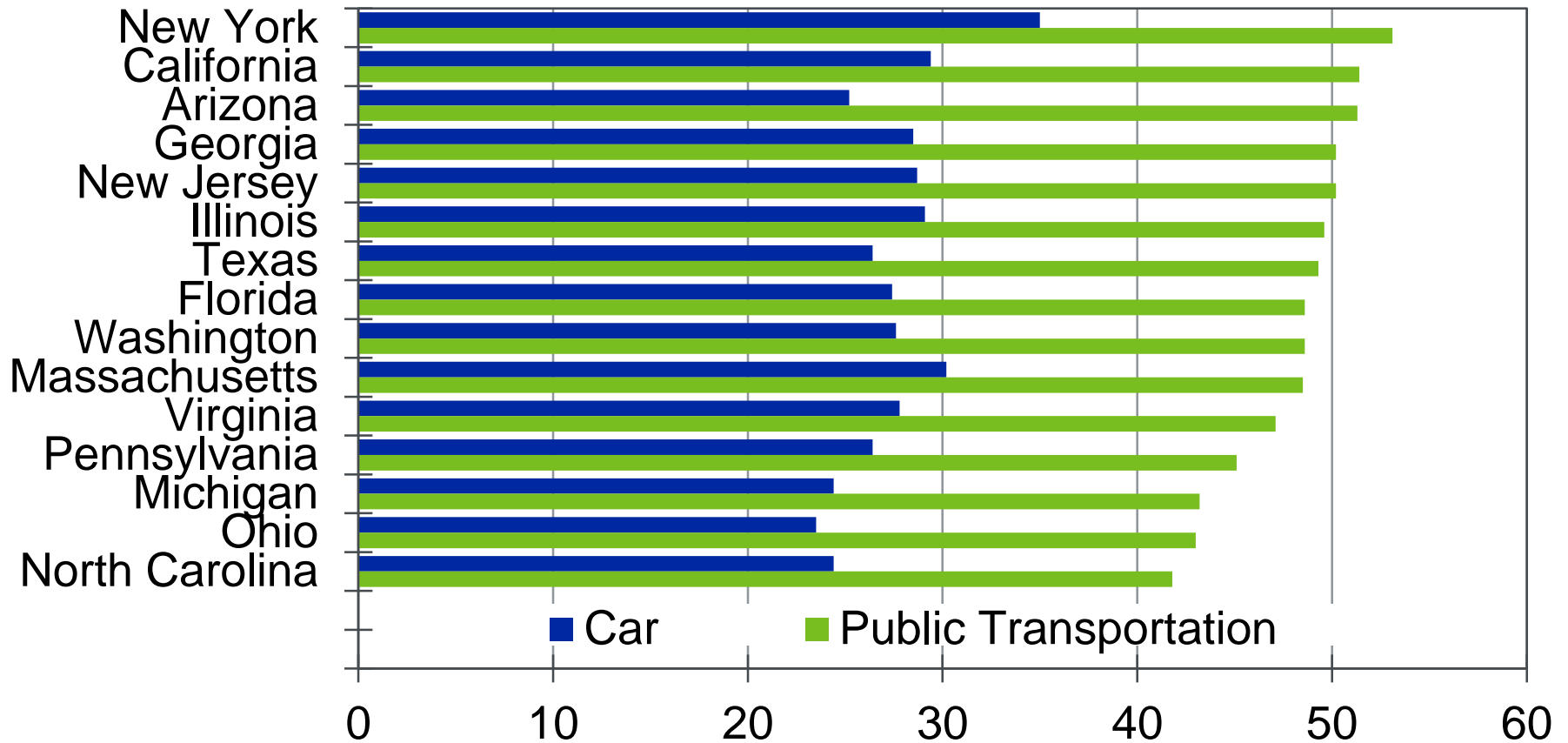
Avg amount of SALT deduction, \$ ths, 2015



Sources: Tax Policy Center, Moody's Analytics

# New York Commuters Have it Toughest

Avg commute time, minutes, 2012-2016



Sources: Census Bureau, Moody's Analytics

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