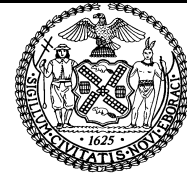


# Economic Notes



New York City Office of the Comptroller

Alan G. Hevesi, Comptroller

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## NYC AND U.S. ECONOMIES STALL IN 3Q01

**SUMMARY:** Recession appears to have hit despite the Fed's nine interest-rate cuts in 2001 and the President's tax rebate. The economic numbers were bad, but worse is the fact that they include little of the impacts of the September 11 attacks. More stimulative fiscal measures are in the works. The Fed is expected to lower its target interest rates further in November, but more important at this point is a potential fiscal package from Congress and the drop in energy prices.

- **Gross City Product (GCP)**, adjusted for inflation, fell at an annualized rate of 1.6 percent in 3Q01, below the 1.0 percent growth rate in 2Q01. The U.S. GDP fell 0.4 percent in 3Q01, compared with a gain of 0.3 percent in 2Q01. Consumer spending was up 1.2 percent and government spending was up 1.8 percent.
- **Payroll Jobs** in NYC fell by 21,400 in 3Q01, compared with an increase of 9,400 in 2Q01. The third-quarter drop was the biggest since the drop of 32,600 in 1Q92. The private sector lost 12,000 jobs, while the public sector lost 9,400 jobs. U.S. jobs fell at an annualized rate of 0.5 percent in 3Q01.
- **Personal Income Tax (PIT)** revenues, not adjusted for changes in tax laws, were down 15.9 percent in 3Q01, reversing a rise of 4.3 percent in 3Q00. However, PIT data are not complete, as both the City and the State are allowing postponement of payments, filings, and extensions for those affected by the WTC attack.
- **The Inflation Rate** in NYC was 2.5 percent in 3Q01, lower than the 3.2 percent rate in 2Q01, and lower than the 2.7 percent U.S. rate. The decline in NYC energy prices of 0.5 percent, and a decline in prices of apparel and upkeep of 7.7 percent, contributed to the inflation-rate decrease.
- **The Unemployment Rate** in NYC, seasonally adjusted, in NYC rose to 5.7 percent in 3Q01, from 5.3 percent in 2Q01, while the U.S. unemployment rate rose to 4.8 percent from 4.5 percent over the same period. The City's employment/population ratio declined to 54.7 percent, compared with the nation's 63.6 percent. The City's labor-force-participation rate fell to 58.0 percent, while the national rate fell to 66.8 percent.

Summary Table. *Five Key Economic Indicators, NYC and United States, 3Q01\**

	Period	1. GCP/GDP Growth	2. Payroll-Jobs Growth	3. Personal-Income-Tax Growth	4. Inflation Rate	5. Unemployment Rate, SA
NYC	3Q01	-1.6% W	-2.2% W	-15.9% B	2.5% B	5.7% W
USA		-0.4% W	-0.5% W	-16.3% W	2.7% B	4.8% W

\*B=Better than prior period. N=No change. W=Worse. Indicators 1, 2, and 5 compare 2Q01 with 1Q01; indicators 3-4 compare 2Q01 with 2Q00. Sources: See Charts 1, 3, 5, 7, and 9. SA= Seasonally adjusted.

- **Leading Indicators** for the City are down, a sign that challenging times are ahead. The help-wanted-advertising index, initial unemployment claims, and the number of building permits authorized, all deteriorated on a quarterly and year-to-date basis. Commercial real estate vacancy rates increased in 3Q01 over 3Q00. The hotel occupancy rate was 70.9 percent in 3Q01, down from 85.4 percent in 3Q00.

**A** national recession apparently began in the third quarter despite nine cuts already in 2001 in the Federal Reserve target (federal funds) interest rate, plus a presidential tax rebate and most recently a drop in energy prices. (The federal funds target rate has been dropped for the tenth time, for a cumulative decline from 6.5 percent on January 1, 2001 to 2 percent on November 6.) The economic numbers were bad, but they are made much worse by the fact that they include hardly any of the economic impacts of the September 11 attacks. Consumer spending, which has been sustaining the economic growth at least for the past year, will be affected in coming months by the severe decline in consumer confidence. With 415,00 jobs lost in October, confidence is unlikely to recover soon.

More stimulative measures are in the making. The Federal Reserve is expected to lower its target interest rates further in November, but with short-term rates already down to 2.5 percent, a further decline is primarily symbolic. More promising is the fact that Congress is expected to come up with an unprecedented fiscal package and that oil prices are at their lowest level in the past two years, at about \$20 a barrel. No doubt recovery will be strong, given the magnitude of the measures already taken and the new package. However, recovery may not take place till the second half of 2002.

### **1. Gross City Product and the Silicon Alley 30**

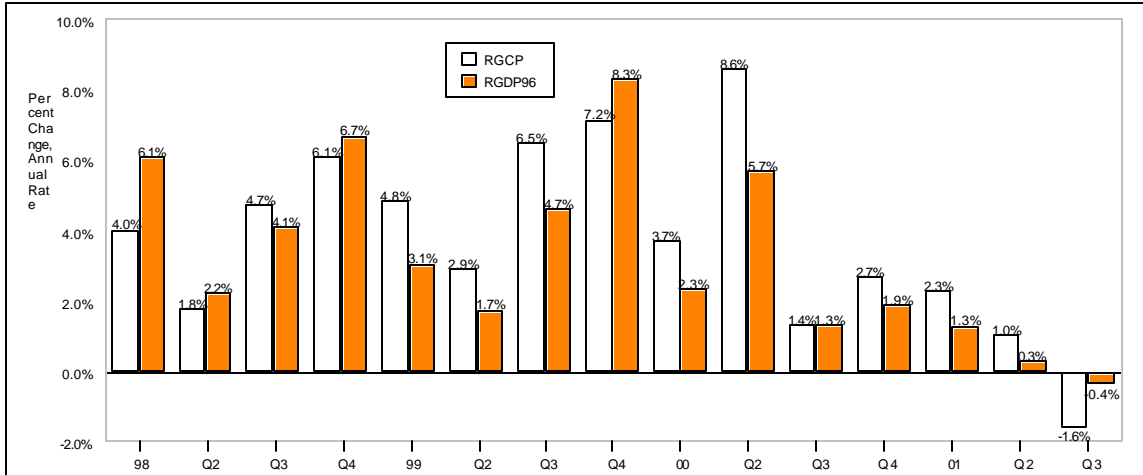
Seasonally adjusted real gross domestic product (GDP) fell 0.4 percent in third-quarter 2001, technically signaling the beginning of a recession, assuming the number is not raised to positive growth in subsequent revisions. According to the National Bureau of Economic Research, a recession is defined as two consecutive quarters of negative GDP growth and fourth-quarter GDP is likely to be negative also. Third-quarter GDP covers about three weeks of the post-September 11 attack, but most of the third-quarter data were gathered before September 11.

All the components of the GDP deteriorated in third-quarter 2001. Real (using chained-weighted deflation of nominal spending) consumer spending grew at an annualized rate of 1.2 percent in third-quarter 2001, after growing 2.5 percent in the second quarter. Fixed non-residential investment was down 11.9 percent in third-quarter 2001, compared with a decline of 14.9 in the second quarter. Government expenditure also rose, but much more weakly than usual, at an annualized rate of 1.8 percent in the third quarter compared with 5.0 percent in second-quarter 2001. However, the net export deficit improved slightly, rising to \$395 billion in third-quarter 2001 from \$406.7 billion in the second quarter, reflecting slowing demand in the United States.

The seasonally adjusted real gross city product (GCP) fell 1.6 percent in third-quarter 2001, after growing 1.0 percent in the second quarter. The decline in GCP reflects the weaknesses in the labor market and income, using personal income taxes as a proxy for incomes. (See Chart 1.)

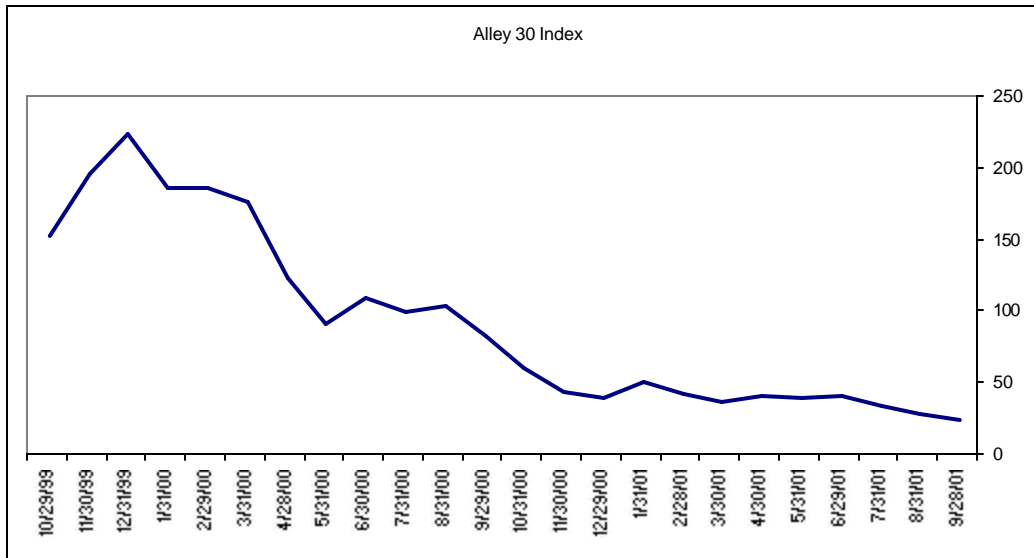
The most important generator of new NYC jobs from 1995 to 2000 was the dot-com sector. However, with the end of the Y2K build up, the dot-coms went into decline starting in January 2000, as illustrated by an equity index. The Alley 30 index, which measures the average equity value of the largest NYC-based dot-coms, averaged 19.7 in third-quarter 2001 (June 2000=100). This is 22.6 percent of the 87.0 index value of these companies in third-quarter 2000. (See Chart 2.)

Chart 1. *Real GCP and GDP, Percent Change, Annual Rate, Quarterly, 1998Q1-2001Q3*



Source: GDP growth data are from U.S. Department of Commerce the third-quarter numbers will be revised in November and December. NYC GCP estimates are from the NYC Comptroller’s Office, based on a model that incorporates (among other variables) monthly NYC jobs data and quarterly GDP data, and changes retroactively when these numbers are revised by the U.S. Department of Commerce for past months and years. RGDP96=Changes in real GDP, based on chain-weighted 1996 dollars.

Chart 2. *The Alley 30 Index, Monthly Data, 1999-2001*



Source: NYC Comptroller's Office, based on NASDAQ month-end stock prices of 30 NYC-headquartered dot-com companies, weighted by their market capitalizations. June 2000 (6/30/00)=100. October 2001 (10/31/01)=17.4, which is up from 14.9 at the end of September 2001.

## 2. Jobs

September private-sector jobs and third-quarter payroll jobs both declined. However, the reported numbers do not fully reflect the post-September 11 job losses in NYC for at least three reasons:

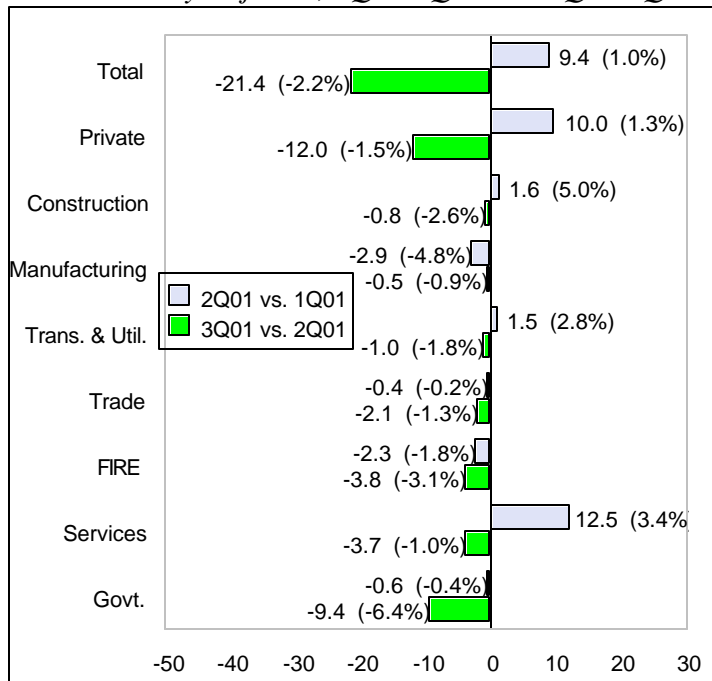
- Many payroll filings by companies were prepared prior to the attack on the World Trade Center on September 11.
- Layoffs are not fully reflected because employees may be kept on their payrolls until their annual leave is used up.
- Companies have been allowed extensions in filing their reports.

Third-quarter 2001 private-sector jobs fell by 12,000, the first quarterly decline since 1992. Total jobs in the third quarter fell by 21,400, compared with the previous quarter on a seasonally adjusted basis; this was the first quarterly decline since the third quarter of 1994 and the first decline of more than 100 jobs since 1992.

For the third quarter, government jobs were down by 9,400, after a decline of 600 jobs in the second quarter. Almost all of the third-quarter decline was in local government.

Manufacturing was down by 500 jobs in the third quarter. Construction was down by 800 jobs. Transportation and public utilities was down by 1,000 jobs. Trade was down by 2,100 jobs. The finance, insurance, and real estate (FIRE) sector was down by 3,800 jobs, mostly because of a 5,000-job decline in the securities industry. Services were down by 3,800 jobs, which is largely the net of a 12,900-job decrease in business services offset by increases in health services (3,200 jobs) and social services (3,000 jobs). Eating and drinking places lost 1,200 jobs, motion pictures and amusements lost 2,300 jobs. Legal services were down by 500, engineering and management down by 2,100. (See Chart 3.)

Chart 3. NYC Job Growth ('000) and Annualized Percent Change, Seasonally Adjusted, 3Q01/2Q01 and 2Q01/1Q01

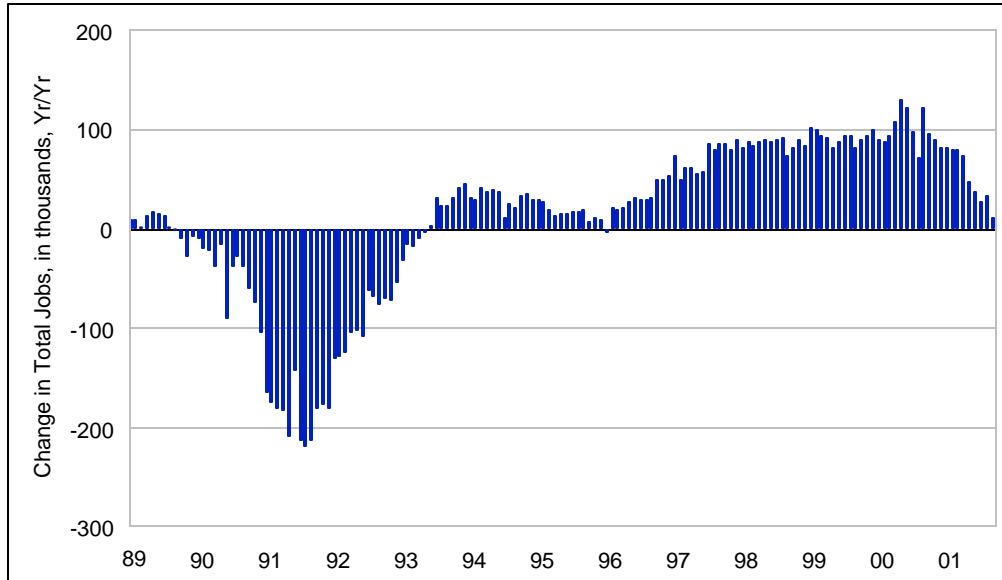


Source: NYS Department of Labor. Quarterly seasonal adjustments are by the NYC Comptroller's Office. Changes are from the prior quarter.

On a year-over-year basis, payroll job growth continued to slide. Payroll jobs were up by 24,300 in third-quarter 2001 compared with 97,800 in third-quarter 2000. The year-over-year job gains were even weaker in September 2001. Payroll jobs were up by 11,900 in September 2001, compared with 122,700 in September 2000. (See Chart 4.)

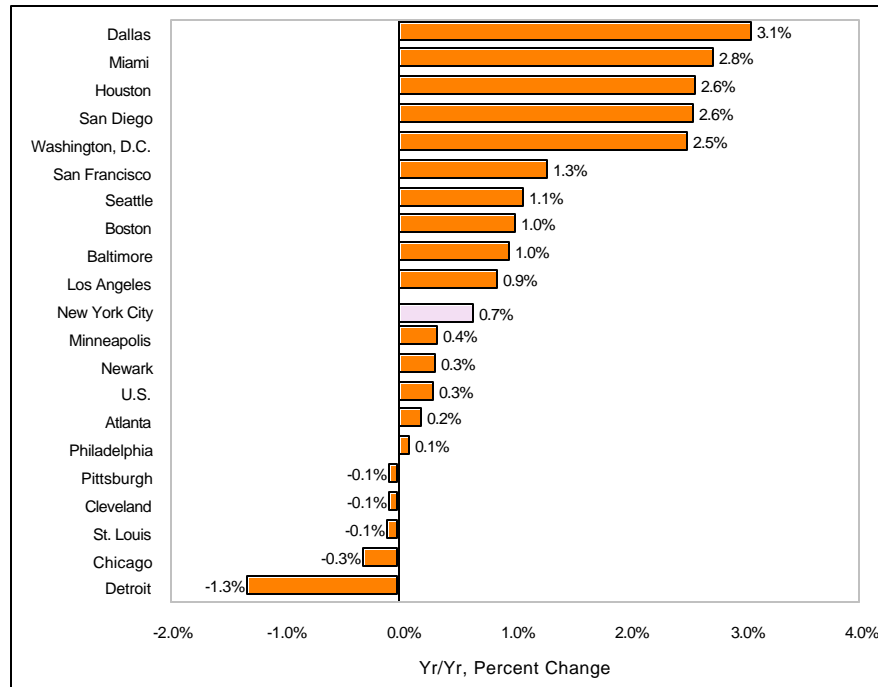
Although the City's job growth was weak, it was stronger than the nation and it ranked 11<sup>th</sup> among the 19 largest metro areas. On a year-over-year basis, NYC payroll jobs were up by 0.7 percent in third-quarter 2001 compared with 0.3 percent in the nation. Dallas had the highest rate of job growth, 3.1 percent, and Detroit had the weakest job growth, a drop of 1.3 percent. (See Chart 5.)

Chart 4. NYC, Changes in Total Jobs, Monthly, Year-over-Year, '000, 1988-2001



Source: NYS Department of Labor.

Chart 5. Job Growth, NYC, the 19 Next Largest Metro Areas and U.S. Average, Percent Change, 3Q01 over 3Q00



Source: U.S. Bureau of Labor Statistics. All data are for the entire metro areas (MSAs or PMSAs), except for NYC, for which City data are used. The NYC PMSA would include also three counties north of NYC, i.e., Westchester, Putnam, and Rockland counties.

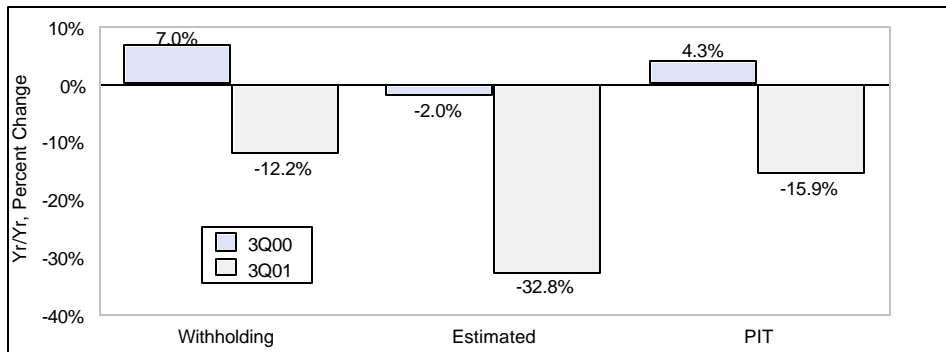
### 3. Income

Personal income data are available only annually, from the Bureau of Economic Analysis of the Department of Commerce, and with a one-year lag. Therefore, personal income taxes (PIT) and average hourly wages are used as a proxy for quarterly NYC personal income.

The third-quarter PIT and its components, withholding and estimated taxes, declined significantly from a year ago. The reason has to do with the September 11 terrorist attack on the World Trade Center (WTC), as both the City and the State are allowing postponement of payments, filings, and extensions for those affected by the WTC attack. Affected individuals include relief workers, those with homes or jobs in the WTC area, those with records or tax preparers in the area, and those facing delivery problems caused by transportation or communications disruptions.

On a year-over-year basis, NYC's PIT fell 15.9 percent in third-quarter 2001 compared with a gain of 4.3 percent in third-quarter 2000. Withholding taxes, i.e., the amount of taxes withheld from employee paychecks, fell 12.2 percent and estimated payments- which are based on taxpayers' estimates of interest earned, rental income, and capital gains- fell 32.8 percent. (See Chart 6.)

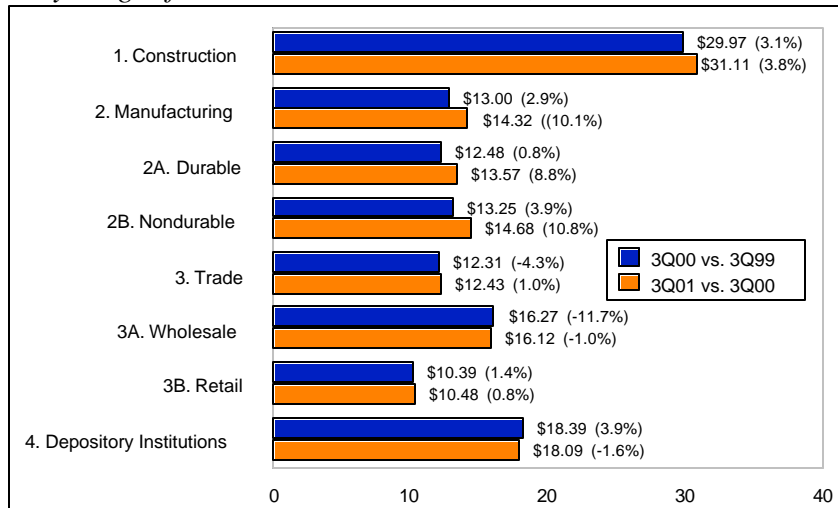
Chart 6. *Personal Income Taxes, Year-over-Year Percent Change, 3Q01 and 3Q00*



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

Changes in average hourly wages were mixed. On a year-over-year basis, average hourly wages in manufacturing had the highest gain, 10.1 percent, followed by construction, 3.8 percent. Average hourly wages in wholesale and retail trade rose 1.0 percent, a sign of a pick up in trade activity. Average hourly wages for depository institutions fell 1.6 percent on a year-over-year basis, a sign that the soft labor market has prevented any effective wage pressures. (See Chart 7.)

Chart 7. *Average Hourly Wages for Selected Industries, NYC, Year-over-Year Percent Change, 3Q01*

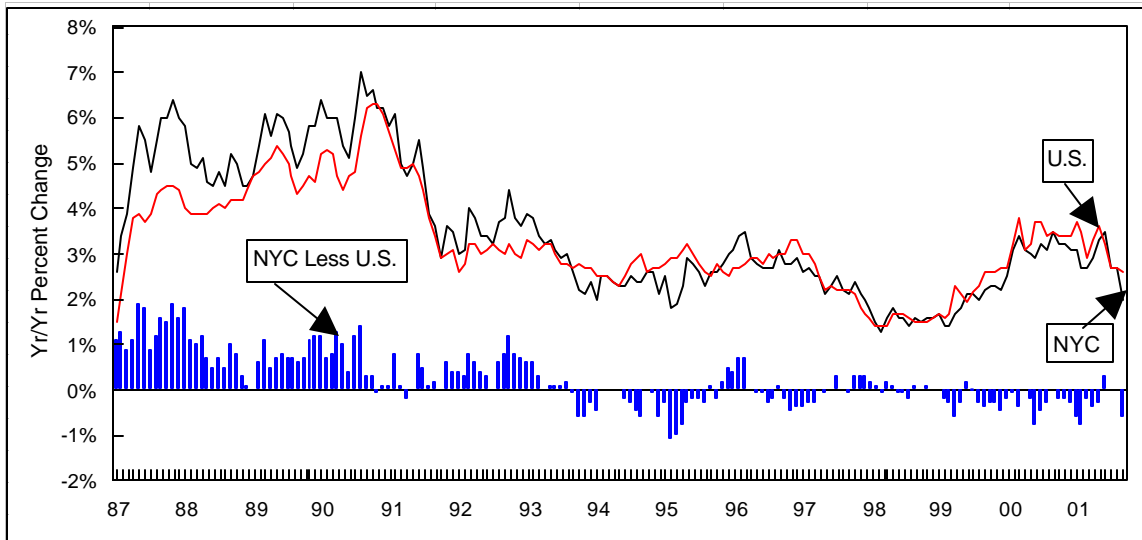


Source: NYS Department of Labor.

## 4. Inflation

The NYC metro area inflation rate, as measured by the year-over-year change in the consumer price index (CPI), rose 2.5 percent in third-quarter 2001, below the national average of 2.7 percent, and the lowest rate since 2.3 percent in fourth-quarter 1999. The City's inflation rate was 3.2 percent in the second quarter and 2.8 percent in the first quarter of 2001. (See Chart 8.)

Chart 8. *Inflation Rates: NYC Area, U.S., and NYC Minus U.S., Monthly; Year-over-Year, 1987-2001*



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 for the BLS on a metropolitan-wide basis.

Medical care had the biggest jump in prices, 4.5 percent, followed by services, 3.8 percent, housing, 3.6 percent, and food and beverages, 2.8 percent. On the other hand, apparel and upkeep prices fell 7.7 percent and energy prices fell 0.5 percent in third-quarter 2001. The City's core inflation rate, which includes all items except food and energy, rose 2.4 percent in third-quarter 2001, compared with 3.0 percent in the second quarter and 2.5 percent in the first quarter.

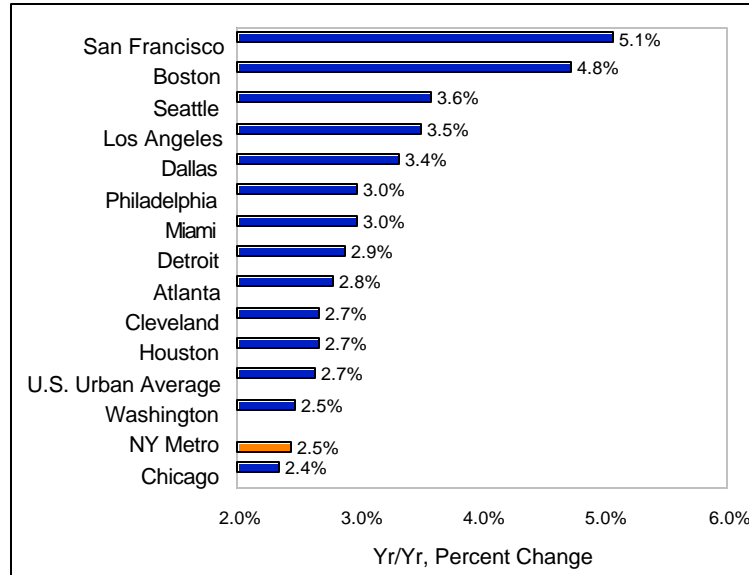
The nation's core inflation rate was 2.7 percent in third-quarter 2001, unchanged from the first and second quarters. While the year-over-year change in food and beverage prices remained unchanged at 3.1 percent in third-quarter 2001 from the second quarter, energy prices dropped significantly. Energy prices rose 2.1 percent, compared with 11.4 percent in the second quarter and 12.1 percent in the first quarter. The third-quarter rise in energy prices was the lowest since 1.9 percent in second-quarter 1999.

Compared with 13 other largest metro areas, the NYC metro area had the second lowest inflation rate, 2.5 percent. San Francisco had the highest inflation rate, 5.1 percent, and Chicago had the lowest inflation rate, 2.4 percent. (See Chart 9.)

## 5. Unemployment

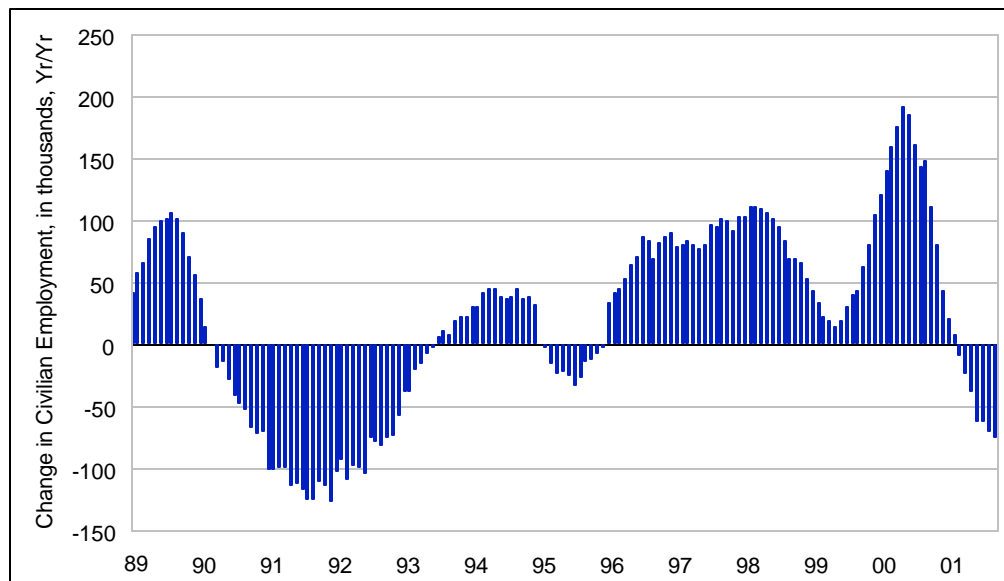
The signs of economic slowdown were also apparent in the civilian (household-survey-based, as opposed to payroll-based) employment data. On a year-over-year basis, the non-seasonally adjusted civilian employment was down by 75,600 in September 2001 and it was down by 69,100 in third-quarter 2001. (See Chart 10.)

Chart 9. *Inflation Rate, 14 Large Metro Areas and U.S. Urban Average, 3Q01*



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 ten of the largest 20 metro areas.

Chart 10. *Change in Civilian Employment, NYC, Monthly, Year-over-Year, '000, 1988-2001*



Source: NYS Department of Labor.

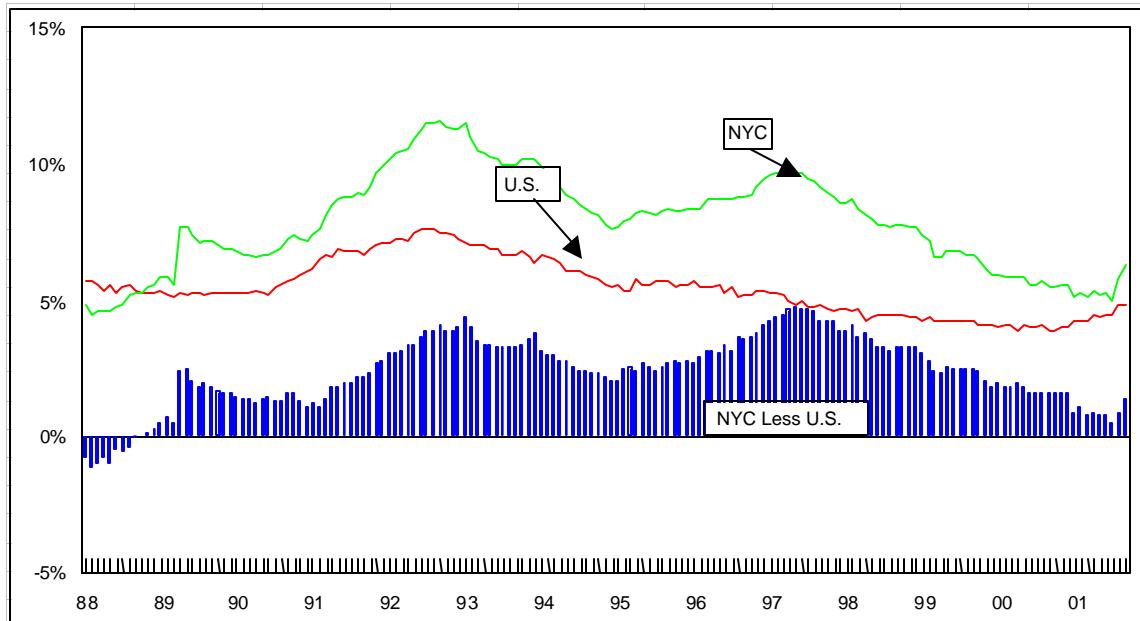
Seasonally adjusted civilian employment was down by 31,200 in third-quarter 2001 compared with a gain of 300 in the second quarter and a loss of 15,500 in the first quarter. The third quarter decline was the largest since 42,800 in first-quarter 1991. As a result, employment/population ratio fell to 54.7 percent in third-quarter from 55.4 percent in the second quarter.

The City's labor force was down by 17,000 in third-quarter 2001, compared with a gain of 4,300 in the second quarter and a loss of 29,300 in the first quarter. The labor-force-participation rate in third-quarter 2001 was 58.0 percent, slightly below 58.4 percent in the second quarter and 58.5 percent in the first quarter.

The seasonally adjusted number of unemployed residents rose by 14,200 in the third quarter, after an increase of 3,900 in the second quarter, but a decline of 13,700 in the first quarter. The unemployment rate was 5.7 percent in the third quarter compared with 5.3 percent in the second and 5.2 percent in the first quarter.

The gap between the City and the nation's unemployment rate widened in the third quarter to 0.9 percentage points, from 0.8 percentage points in the second quarter. The nation's unemployment rate was 4.8 percent in the third quarter, higher than 4.5 percent in the second quarter. Also, in the third quarter, the employment/population ratio fell to 63.6 percent from 63.9 percent in the second quarter, and the labor-force-participation rate fell to 66.8 percent from 66.9 percent in the second quarter. (See Chart 11.)

Chart 11. *Unemployment Rate, NYC, U.S. and NYC Less U.S., Monthly (SA), 1988-2001*



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.

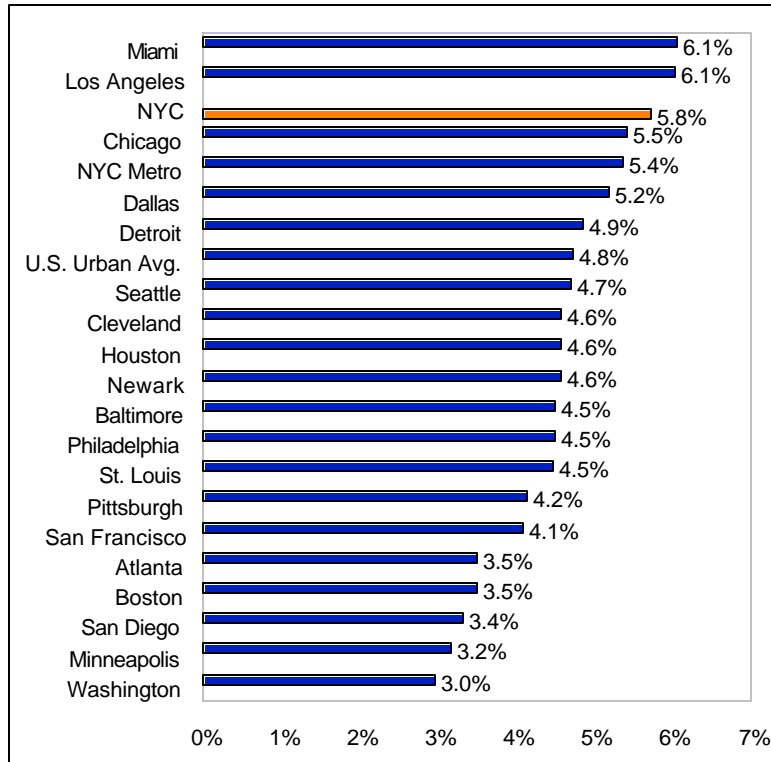
Compared with 20 largest metro area, the City's unadjusted unemployment rate of 5.8 percent ranked third. Miami had the highest unemployment rate, 6.1 percent, and Washington had the lowest rate, 3.0 percent. (See Chart 12.)

## 6. Tourism and the Hotel Industry

The hotel industry had a relatively weak third quarter. The average daily occupancy rate, not seasonally adjusted, was 70.9 percent in third-quarter 2001 compared with 85.4 percent in third-quarter 2000. The third-quarter 2001 occupancy rate was the lowest since 70.7 percent in third-quarter 1992. The average daily occupancy rate was 79.0 in second quarter and 73.3 in first-quarter 2001.

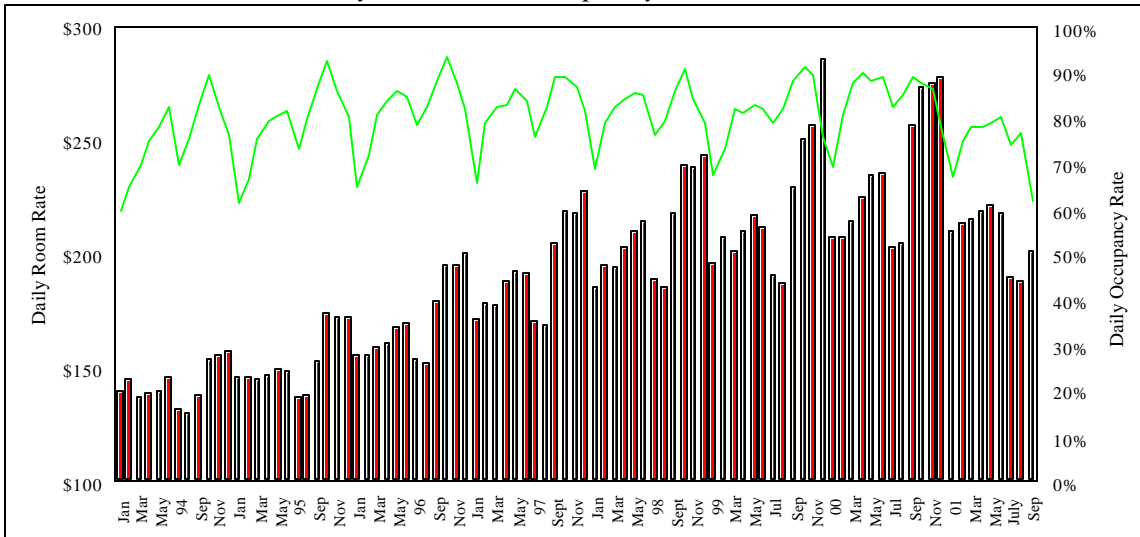
The average daily room rate was \$193.4 in third-quarter 2001 compared with \$221.7 in third-quarter 2000. The third-quarter 2001 daily room rate was the lowest since \$181.7 in third-quarter 1997. The average daily room rate was \$219.7 in the second quarter and \$213.3 in first-quarter 2001. (See Chart 13.)

Chart 12. *Unemployment Rate, NYC and 20 Largest Metro Areas and U.S. Urban Average, 3Q01*



Source: BLS. All data are for metro statistical areas, i.e., MSAs or Primary MSAs (PMSAs); the NYC metro area is its 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.

Chart 13. *Daily Room and Occupancy Rates, NYC Hotels, 1994-2001*



Source: PKF Consulting.

## 7. Real Estate

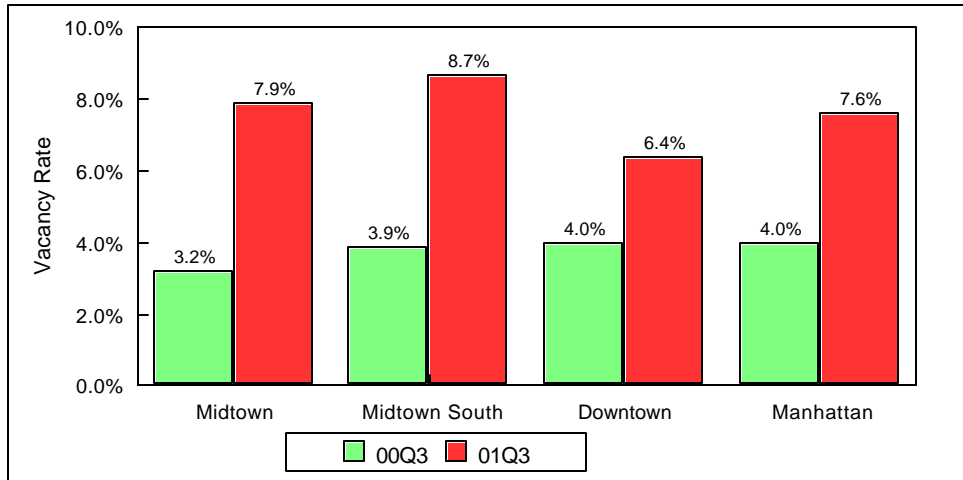
The Manhattan office market was immediately impacted by the events of September 11. About 25.8 million square feet (msf), or more than 44 percent of Downtown Class A office inventory, were destroyed or damaged. More than 12.5 msf of Class A office space was completely destroyed, another 7.7 msf sustained damage that will require major repair, and the remaining appear to have suffered cosmetic or façade damage, but may still be

out of service for a period of time.

Two opposing forces are at work in the downtown office market. First, the economic slowdown of the first nine months of 2001 has led to more vacant space. Second, the significant loss of real estate in downtown market has forced many companies to look for new space.

This explains a significant slowdown in real estate activities in the City during the third quarter. On a year-over-year basis, the vacancy rate more than doubled in Midtown and Midtown South, and almost doubled downtown during third-quarter 2001. (See Chart 14.)

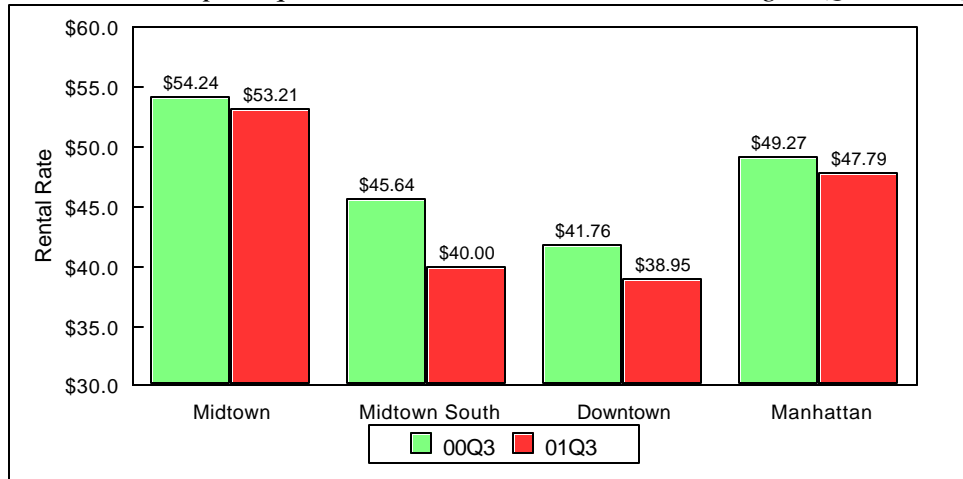
Chart 14. *Vacancy Rates, Manhattan, Overall Commercial, 3Q00 and 3Q01*



Source: Cushman and Wakefield.

The soft real estate market has led to a decline in rental rates. For instance, on a year-over-year basis, rental rates fell by as much as \$5 in Midtown South and as little as one dollar in Midtown during third-quarter 2001. (See Chart 15.)

Chart 15. *Rental Rates per Sq. Ft., Manhattan, Commercial, Average, 3Q00 and 3Q01*



Source: Cushman and Wakefield. The average is weighted by square footage; only “direct” rentals are included, i.e., space that is immediately available, not space under construction.

## 8. Leading Economic Indicators

All of the City's leading economic indicators were significantly weaker in third-quarter 2001, as well as for the first nine months of 2001, a sign of a much weaker economy ahead. Unfortunately, for the most part, none of these indicators reflect the September 11 attack. (See Table 1.)

Table 1. *Three Leading Economic Indicators, NYC, 3Q01 vs. 3Q00 and 2Q01\**

Help-Wanted Ads (Averages of Monthly Indicators, Seasonally Adjusted)			
1 <sup>st</sup> Nine Months of 2000	52.4	2Q01	32.0
1 <sup>st</sup> Nine Months of 2001	33.3	3Q01	27.7
<b>Change</b>	<b>-36.4% W</b>	<b>Change</b>	<b>-13.5% W</b>
Initial Unemployment Claims (Monthly Average)			
1 <sup>st</sup> Nine Months of 2000	28,225	2Q01	37,912
1 <sup>st</sup> Nine Months of 2001	38,430	3Q01	45,102
<b>Change</b>	<b>+ 10,205 W</b>	<b>Change</b>	<b>+ 7190 W</b>
Number of Building Permits Authorized (Period Totals, NSA)			
1 <sup>st</sup> Nine Months of 2000	65,382	3Q00	22,763
1 <sup>st</sup> Nine Months of 2001	63,978	3Q01	20,041
<b>Change</b>	<b>-1,404 W</b>	<b>Change</b>	<b>-2,722 W</b>

\***B**=Better than prior period; **N**=No change; **W**=Worse. NSA=Not seasonally adjusted.

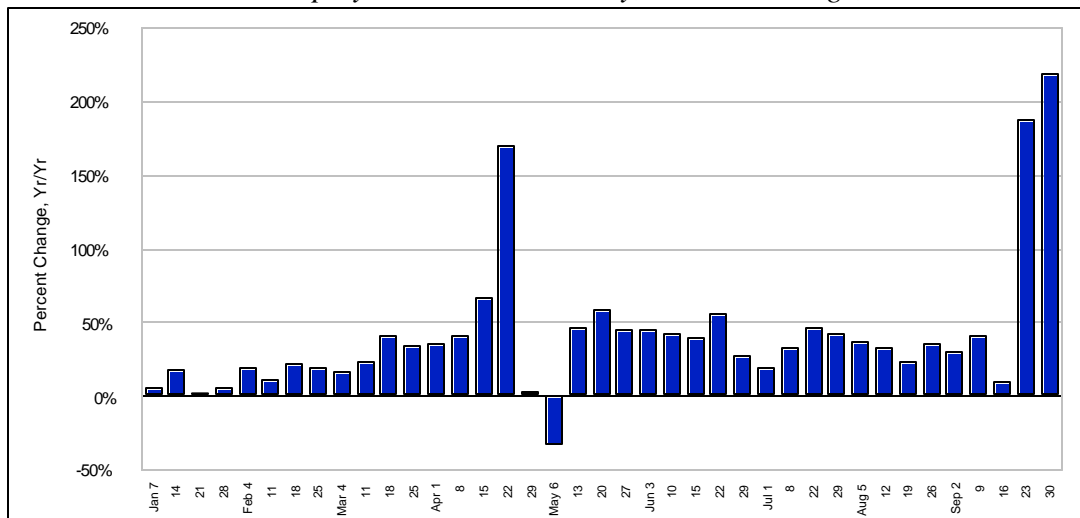
Source: Conference Board (help-wanted ads), NYS Department of Labor (unemployment insurance claims), and NYC Dept. of Buildings (permits). Averages and seasonal adjustments by the NYC Comptroller's Office.

The City's average seasonally adjusted help-wanted-advertising index was 27.7 in third-quarter 2001, 13.5 percent lower than 32.0 in the second quarter. The national average help-wanted-advertising index was 54.3 in the third quarter, 11.0 percent lower than 61.0 in second-quarter 2001.

Initial unemployment claims rose by an average of 7,190 per month during third-quarter 2001 compared with an increase of 5,155 during second-quarter 2001. On year-over-year basis, initial unemployment claims rose by 10,205 during the first nine months of 2001. Monthly data do not capture the impact of the September 11 attack, but weekly numbers show a significant rise in claims on a year-over-year basis. (See Chart 16.)

The number of building permits authorized was down 12.0 percent in third-quarter 2001 over third-quarter 2000, despite the low-interest-rate environment.

Chart 16. *NYC Initial Unemployment Claims, Weekly, Percent Change, Year-Over-Year, 2000-2001*



Source: NYS Department of Labor

### New York City Economic Indicators

	Labor Market											Inflation			
	Payroll Jobs <sup>1</sup> (thousands)		Civilian Employment <sup>2</sup> (thousands)		Unemployment Rate (%)		Labor Force Participation Rate (%)		Initial Unemployment Claims		Help Wanted Advertising	Consumer Price Index (CPI), 1982-84 = 100			
												All Items		Core CPI <sup>3</sup>	
1999	NSA*	SA	NSA	SA	NSA	SA	NSA	SA	NSA	SA	1987=100	Level	%ch year ago	Level	%ch year ago
Nov.	3,701.2	3,656.2	3,276.5	3,271.9	6.1	6.2	59.0	59.0	25,041	27,434.6	52	178.8	2.3	190.3	1.9
Dec.	3,730.8	3,664.8	3,311.8	3,291.7	5.6	6.0	59.3	59.1	29,576	26,749.2	52	178.6	2.2	190.0	1.7
2000															
Jan.	3,627.4	3,678.5	3,293.0	3,310.2	6.4	6.0	59.4	59.4	37,017	28,182.8	51	179.3	2.5	190.8	2.0
Feb.	3,647.2	3,685.3	3,324.7	3,329.1	6.2	5.9	59.8	59.6	27,232	27,943.6	68	180.5	3.1	191.5	2.2
Mar.	3,678.9	3,691.4	3,353.3	3,345.5	6.2	5.9	60.2	59.9	26,586	27,883.3	55	181.5	3.4	192.9	2.5
April	3,701.1	3,707.7	3,355.3	3,362.7	5.7	5.9	59.9	60.1	23,837	21,182.5	52	181.4	3.1	192.7	2.4
May	3,728.1	3,729.7	3,357.0	3,381.2	5.5	5.9	59.7	60.4	30,031	33,877.3	50	181.4	3.0	192.5	2.4
June	3,739.7	3,731.5	3,380.8	3,385.6	5.4	5.6	60.0	60.2	24,817	27,440.9	52	182.0	2.9	192.6	2.2
July	3,734.5	3,730.2	3,415.8	3,378.0	5.9	5.6	60.9	60.0	31,317	26,276.8	49	182.8	3.2	192.9	2.1
Aug.	3,700.8	3,709.9	3,382.6	3,371.5	5.6	5.7	60.0	59.9	29,625	33,194.9	47	183.1	3.1	194.1	2.6
Sept.	3,722.9	3,749.4	3,348.8	3,372.8	5.4	5.5	59.2	59.7	23,564	27,676.9	48	184.4	3.5	195.2	2.8
Oct.	3,761.3	3,744.4	3,364.2	3,363.6	5.5	5.5	59.5	59.4	25,105	28,381.3	44	184.6	3.2	195.9	2.8
Nov.	3,791.4	3,744.9	3,357.3	3,352.9	5.4	5.6	59.3	59.3	27,003	29,424.7	42	184.6	3.2	195.5	2.7
Dec.	3,813.8	3,745.7	3,355.6	3,335.5	5.2	5.6	59.0	58.9	27,284	24,841.4	49	184.2	3.1	194.8	2.5
2001															
Jan.	3,710.4	3,762.3	3,314.4	3,331.7	5.6	5.1	58.5	58.5	43,515	33,170.0	44	184.9	3.1	195.2	2.3
Feb.	3,727.0	3,765.6	3,333.0	3,337.3	5.7	5.3	58.8	58.7	30,693	31,489.7	39	185.3	2.7	196.3	2.5
Mar.	3,759.9	3,772.9	3,344.3	3,336.4	5.4	5.1	58.8	58.5	32,153	33,611.1	38	186.4	2.7	198.0	2.6
Apr.	3,774.7	3,781.1	3,332.4	3,339.6	5.2	5.4	58.4	58.6	40,597	35,910.8	34	186.6	2.9	198.2	2.9
May	3,776.2	3,778.4	3,318.9	3,343.1	4.9	5.2	57.9	58.5	35,578	40,230.7	31	187.3	3.3	198.0	2.9
June	3,777.8	3,769.5	3,318.7	3,323.6	5.0	5.3	57.9	58.2	34,002	37,593.2	31	188.3	3.5	198.8	3.2
July	3,762.2	3,758.6	3,354.4	3,314.7	5.3	5.0	58.7	57.8	43,324	36,354	30	187.8	2.7	198.4	2.9
Aug.	3,734.0	3,744.0	3,312.2	3,300.4	5.8	5.8	58.1	57.9	38,863	43,650	26	188.1	2.7	199.4	2.7
Sept.	3,734.8	3,762.3	3,273.2	3,297.7	6.2	6.3	57.6	58.1	47,147	55,303	27	188.0	2.0	199.9	2.4

\*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

<i>Cont'd</i>	Real Estate Transaction Taxes		Income-Sensitive Taxes				Manhattan Commercial Real Estate (Overall)				Construction		Hotel	
	MRT <sup>1</sup>	RPTT <sup>2</sup>	Sales	Corp.	Bank	PIT	Vacancy Rate		Asking Rental Rate		Total Number of Building Permits Authorized		Hotel Occupancy Rate	Daily Room Rate
							Midtown	Downtown	Midtown	Downtown				
1999	\$ mil.	\$ mil.	\$ mil.	\$ mil.	\$ mil.	\$ mil.	(%)	(%)	(\$/s.f.)	(\$/s.f.)	(# of units)	Year-to-date	(%)	(\$)
Nov.	28.0	39.7	249.6	26.5	-9.3	345.0	Na	Na	Na	Na	6,631	74,026	89.5	256.85
Dec.	40.3	43.6	380.9	326.4	73.8	608.5	5.9	8.9	42.48	34.66	6,329	80,355	75.8	285.18
2000														
Jan.	38.0	33.3	303.1	49.3	5.8	826.5	Na	Na	Na	Na	6,217	6,217	69.2	207.60
Feb.	36.6	47.8	223.3	29.3	18.9	445.4	Na	Na	Na	Na	6,257	12,474	80.5	207.42
Mar.	35.5	55.5	345.1	521.2	51.5	360.5	4.9	6.6	44.93	36.28	8,069	20,543	87.7	214.32
April	35.7	46.9	274.6	74.3	27.6	874.5	Na	Na	Na	Na	6,918	27,461	89.9	225.00
May	26.4	31.2	240.9	28.3	-8.8	223.1	Na	Na	Na	Na	7,521	34,982	88.0	234.40
June	29.0	34.9	356.8	222.5	94.2	446.3	3.3	4.3	52.42	40.10	7,637	42,619	88.8	235.29
July	21.7	36.9	233.8	0	0	342.2	Na	Na	Na	Na	6,972	49,591	82.6	203.73
Aug.	33.7	43.4	233.4	0	0	313.4	Na	Na	Na	Na	8,545	58,136	84.8	205.20
Sept.	26.2	27.6	359.9	388.3	142.7	471.5	3.2	4.0	54.24	41.76	7,246	65,382	88.8	256.31
Oct.	34.3	32.6	290.0	35.6	10.5	336.1	Na	Na	Na	Na	7,516	72,898	87.5	274.14
Nov.	29.5	28.5	273.7	-2.7	-0.8	303.5	Na	Na	Na	Na	6,817	79,715	86.5	275.19
Dec.	30.7	36.1	379.7	357.9	74.3	595.0	3.6	3.6	56.56	43.52	6,556	86,271	77.9	277.82
2001														
Jan.	38.1	44.3	320.0	55.8	-0.6	930.5	Na	Na	Na	Na	6,560	6,560	67.1	210.54
Feb.	32.1	43.2	228.1	11.9	-33.8	459.5	Na	Na	Na	Na	6,399	12,959	74.9	214.02
Mar.	36.8	38.0	402.6	527.1	76.4	230.7	4.8	4.8	56.89	43.73	7,410	20,369	77.8	215.30
Apr.	36.3	50.6	259.4	82.0	9.1	1008.7	Na	Na	Na	Na	7,530	27,899	78.1	219.27
May	52.5	61.8	259.8	-23.1	-3.9	191.8	Na	Na	Na	Na	8,296	36,195	78.8	221.47
June	34.6	30.8	353.2	301.1	145.5	433.1	6.7	6.5	55.00	41.17	7,742	43,937	80.2	218.37
July	55.7	48.0	237.9	0.0	0.0	303.3	Na	Na	Na	Na	7,654	51,591	74.0	190.15
Aug.	28.6	29.5	241.9	0.0	0.0	286.5	Na	Na	Na	Na	8,515	60,106	76.7	188.98
Sept.	35.6	22.2	328.7	233.9	56.0	358.6	7.9	6.4	53.21	38.95	3,872	63,978	61.9	201.98

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.