

# ECONOMIC NOTES

Vol. XIII, No. 4 / December 2005

## NYC economy grows for 8th quarter despite higher energy prices

**Summary:** The City's economy continued to expand in 3Q05, with improvement in jobs, incomes, and the unemployment rate. The City's higher inflation rate largely reflected higher energy prices. The nation's economy in 3Q05 performed better than the City's, with higher growth in gross product and jobs, and with lower unemployment and inflation rates, as shown in the Summary Table.

- **Real Gross City Product (GCP), a measure of the overall City economy, grew 3.4 percent in 3Q05,** below the 4.3 percent U.S. rate (preliminary estimate). Of five key economic indicators for the City and nation, three improved in both the City and the nation.

- **NYC payroll jobs, seasonally adjusted, grew 10,800 in 3Q05,** slightly more than NYC's 9,600-job growth in 2Q05. The City's 1.2 percent annualized 3Q05 job growth lagged the nation's 1.6 percent rate. All gains in the City were in the private sector, which added 16,600 jobs. Government jobs fell significantly. NYC job growth ranked in the middle (ninth-highest) of the 20 largest U.S. metro areas.

- **Personal income tax (PIT) revenues rose 8.7 percent in 3Q05 over 3Q04.** Estimated-tax payments on interest income, rental income, and capital gains rose 25.6 percent in 3Q05. The more broadly based withholding taxes rose 5.5 percent in 3Q05. U.S. PIT revenues rose 9.9 percent and withholding taxes rose five percent in 3Q05.

- **NYC overall inflation surged to 4.1 percent in 3Q05 from 3.3 percent in 2Q05.** NYC's core inflation (excluding food and energy prices) rose to 2.8 percent in 3Q05 from 2.6 percent in 2Q05. The U.S. inflation rate rose to 3.8 percent in 3Q05 from 2.9 percent in 2Q05. However, U.S. core inflation fell to 2.0 percent in 3Q05 from 2.2 percent in 2Q05.

- **NYC's unemployment rate fell to 5.6 percent, seasonally adjusted, in 3Q05 from 5.7 percent in 2Q05.** It was the lowest since 5.5 percent in 2Q01. U.S. unemployment fell to 5.0 percent, the lowest since 4.8 percent in 3Q01. Seasonally adjusted, 6,400 more New Yorkers were working in 3Q05 than in 2Q05. NYC's unemployment rate was the seventh-lowest of the 20 largest U.S. metro areas.

- **Average Manhattan commercial vacancy rates fell in 3Q05 for the seventh consecutive quarter, to 9.6 percent,** from the 2Q05 rate of 11.8 percent, implying rising demand and higher rents. The average Manhattan commercial rent rose slightly to \$41.35 per square foot in 3Q05 (from \$40.51 in 3Q04) and rental rates increased in Midtown and Midtown South. But in downtown Manhattan, where the vacancy rate is the highest, average rents decreased.

- **Leading economic indexes improved.** On a year-over-year basis, in 3Q05 the NYC business-conditions index increased 12.8 percent; the number of building permits authorized rose 7.5 percent; and the City's help-wanted advertising index rose 18 percent.

**Summary Table.** Five Key Economic Indicators, NYC and U.S., 3Q05 Compared with 2Q05

	1.	2.	3.	4.	5.
	GCP/GDP Growth, SAAR	Payroll-Jobs Growth, SAAR	PIT Withheld, Growth, NSA	Inflation Rate, NSA	Unemployment Rate, SA
NYC	3.4% NO CHANGE	1.2% BETTER	5.5% BETTER	4.1% WORSE	5.6% BETTER
US	4.3% BETTER	1.6% WORSE	5.0% BETTER	3.8% WORSE	5.0% BETTER

*Note: Data sources are in Charts 1, 4, 6, 7, and 9. NSA means Not Seasonally Adjusted. SA means Seasonally Adjusted. SAAR means SA Annualized Rate. PIT means personal income tax. Comparisons for "Better" or "Worse" are with the prior quarter.*

### ECONOMIC NOTES

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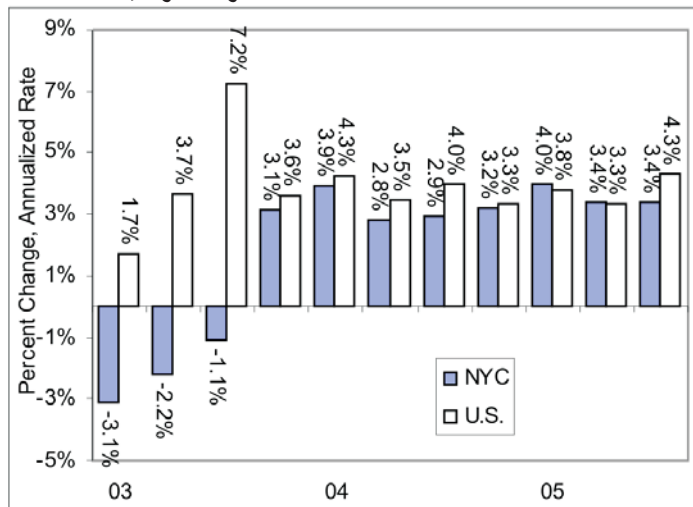
## NYC's Economy Grows for 8th Quarter

The third quarter was challenging for the nation's economy. Two hurricanes, Katrina and Rita, demolished buildings in large parts of Louisiana, Mississippi, Alabama, and Florida. The Federal Reserve increased the fed funds rate by 50 basis points in two steps to 3.75 percent (and 4 percent in November). China decided to revalue its currency, the renminbi, by pegging it to a basket of currencies instead of only to the U.S. dollar. Oil prices averaged \$63.08 per barrel, a \$10 increase over the \$53.04 per barrel in the second quarter. So far, the City and nation have absorbed the shocks well. But how consumers will react to higher winter heating bills and energy surcharges remains to be seen.

### 1. GCP, GDP and Key NYC Sectors

Overall economic growth continued strong. Gross City Product (GCP) rose 3.4 percent in the third quarter, below the preliminary estimate of 4.3 percent growth in Gross Domestic Product (GDP), as shown in Chart 1.

**Chart 1. Real NYC GCP and Real U.S. GDP, Percent Change, Annual Rate, 1Q03-3Q05**



Source: U.S. GDP from the Bureau of Economic Analysis, U.S. Department of Commerce (BEA); GCP from the NYC Comptroller's Office. Both are estimated in chain-weighted 2000 dollars.

**GDP and Its Components.** GDP measures the inflation-adjusted dollar amount of goods and services produced in the United States during a year or quarter. Real chain-weighted GDP grew 4.3 percent in the third quarter, the strongest growth since the first quarter of 2004 and one full percentage point above the 3.3 percent in the second quarter. (These estimates are expected to be revised as the government compiles more data for the period.)

*Consumer spending*, which in 2005 was 70 percent of the nation's \$11.2 trillion GDP, rose 4.2 percent and contributed 2.97 percentage points to GDP growth. Durable goods expenditure rose 10.5 percent, mainly because of increased sales of motor vehicles and parts.

*Government spending* rose 3.2 percent and contributed 0.6 of a percentage point to GDP growth. National defense spending increased most, 10.3 percent. Non-defense federal government spending rose 3.6 percent and state and local government expenditure rose 0.4 percent.

*Private investment* rose by 5.8 percent in the third quarter, a significant change after declining 3.7 percent in the second quarter; it contributed 0.96 of a percentage point to GDP growth. Private investment is expected to rise further in the fourth quarter because of hurricane-related reconstruction.

*The U.S. trade deficit* rose to an annualized \$621.3 billion in the third quarter from \$614.2 billion in the second quarter. Imports grew 2.1 percent, but exports grew 0.8 percent. Net exports deducted 0.25 of a percentage point to GDP growth.

**GCP.** The City's real (chain-weighted) GCP rose at an annualized rate of 3.4 percent in the third quarter, the same as in the second quarter. The third quarter marked the eighth successive quarter of positive growth, after 11 quarters of decline.

**Wall Street Profits.** NYSE member firms reported pre-tax profits of \$4.3 billion in the first half of 2005, and expect at least \$8.3 billion for the second half of 2005, according to the Securities Industry Association. NYSE member firms are expected to report pre-tax profits of about \$3.8 billion for the third quarter, about 73 percent more than \$2.2 billion in the third quarter of 2004. The reasons are surges in stock sales and mergers.

Since the City's budget projections assume Wall Street profits of \$14 billion, a first-half performance of \$4.3 billion is below expectations. Earnings results for key institutions follow:

- Citigroup Inc., the nation's largest financial institution, reported net income of \$7.14 billion in the third quarter, an increase from \$5.3 billion a year earlier.
- Goldman Sachs Group Inc. reported an 83 percent increase in third-quarter profits.
- JPMorgan Chase & Co., the nation's third largest bank, reported a 78 percent increase in profits in the third quarter.
- Lehman Brothers Holdings Inc. reported a third-quarter profit increase of 77 percent year-over-year.
- Merrill Lynch & Co. Inc. reported a 49 percent increase.
- Morgan Stanley profits fell 83 percent in the third quarter because of a \$1 billion business write-off.

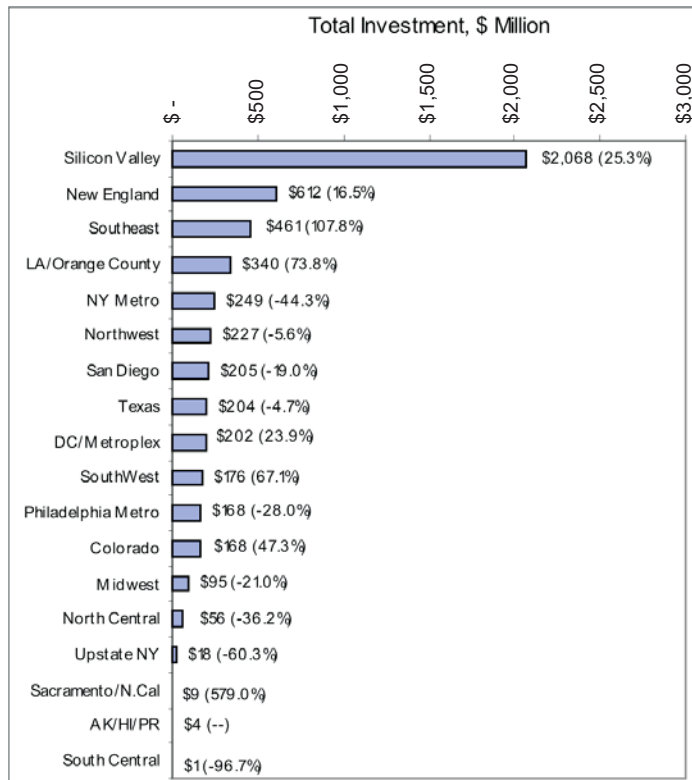
**High-Technology Capitalization, 3Q05.** Venture capital investment of \$249 million in the NY Metro area places the region fifth-highest in VC investment in the third quarter of 2005. However, on a year-over-year basis, the NY Metro area had the third-largest decline in VC investment (-44.3 percent) after South Central (-96.7%) and Upstate NY (-60.3%). (See Chart 2.)

**Silicon Alley.** The “Silicon Alley 15” index almost doubled, increasing 98.7 percent in the third quarter over the third quarter of 2004, to 59.92, the highest level since the third quarter of 2000 (see Chart 3). As indicated in the next section, more people were hired in the business and professional service category, which includes many technology-related jobs.

**2. Jobs in NYC**

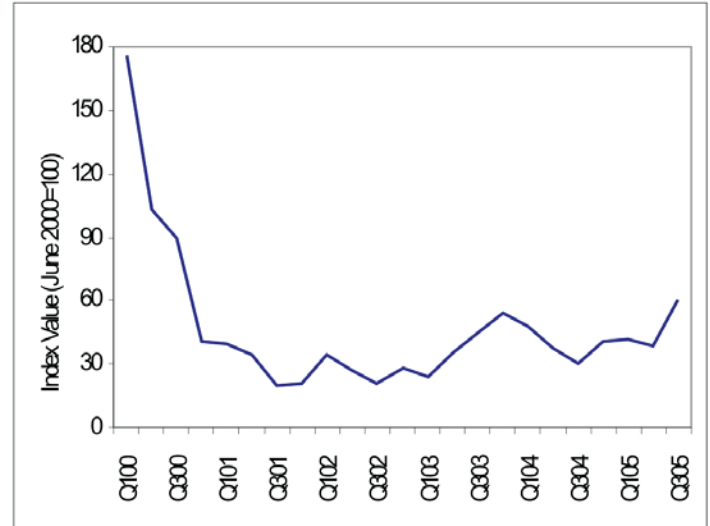
The City’s job-growth performance in the third quarter was positive, as payroll jobs increased at an annual rate of 1.2 percent from the second quarter. However, the City’s gains were less than the U.S. increase of 1.6 percent. The City added 10,800 net new jobs, seasonally adjusted, in the third quarter, slightly above the 9,600-job increase in the second quarter. The third-quarter increase, however, was entirely in the private sector, which added 16,600 jobs, well above the 9,700-job increase in the second quarter. Governments lost 5,800 jobs in the third quarter, many more than the 200 jobs lost in the second quarter. (See Chart 4.)

**Chart 2. Venture-Capital (VC) Investments, by Metropolitan Area, \$ million, 3Q05 vs. 3Q04**



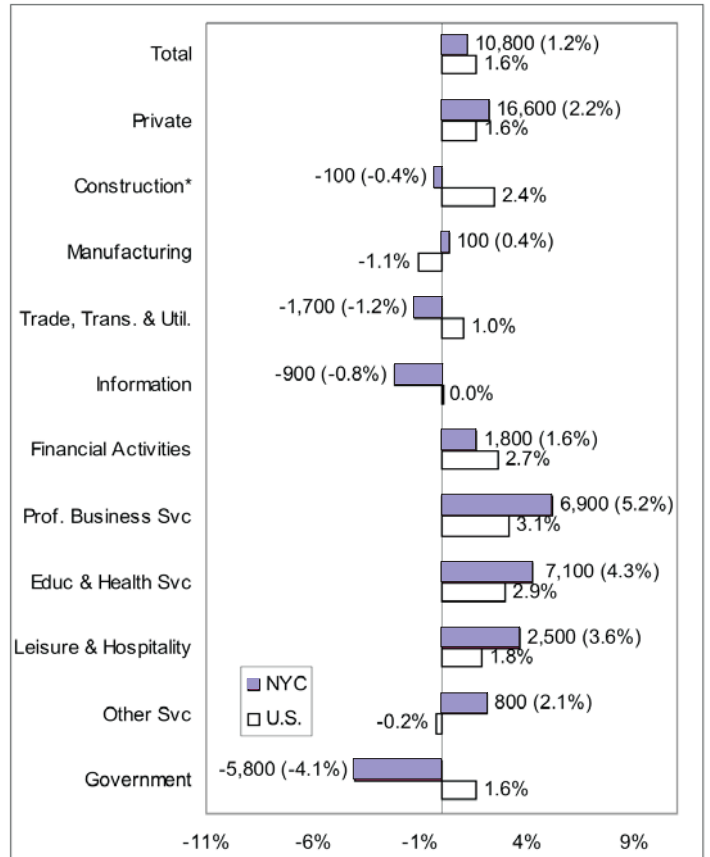
Source: PwC/Thomson Venture Economics/National Venture Capital Association, “Money Tree Survey,” New York Metro Edition, 3Q05.

**Chart 3. Silicon Alley 15 Index, Quarterly, 1Q00-3Q05**



Source: NYC Comptroller’s Office. Data from DowJones.com/quotes. Calculations are based on stock prices of the 15 largest NYC-based IT companies (June 30, 2000=100) and the number of their shares outstanding.

**Chart 4. Change in NYC and U.S. Jobs, SAAR, 3Q05 vs. 2Q05**

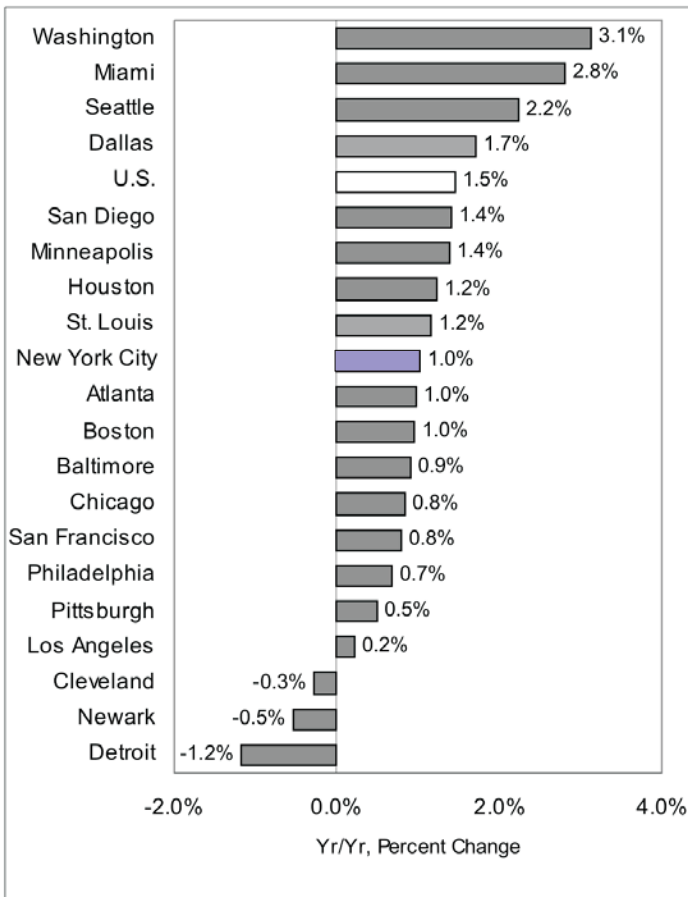


Source: NYS Department of Labor and U.S. Bureau of Labor Statistics (BLS). Seasonal adjustments by the NYC Comptroller’s Office. SAAR is the Seasonally Adjusted Annual Rate of growth, in the form of a percentage. Jobs are counted by location of employer. \*For NYC, construction includes natural resources, mining and construction jobs, but for the United States, it includes only construction jobs.

Within the private sector, education and health services added the most jobs (7,100) followed by professional and business services (6,900), and education services (5,300); the increase for education services was the largest quarterly increase since a 9,000-job increase in the fourth quarter of 2000. Other industries that grew were leisure and hospitality (2,500), financial activities (1,800), and other services (800). Manufacturing may have added only 100 jobs, but this was the largest increase since a growth of 100 jobs in the fourth quarter of 1999.

Compared with the 19 largest metro areas, New York City ranked in the middle. On a year-over-year basis, NYC had the ninth-highest rate of job growth, one percent. Washington D.C. had the highest rate of job growth, 3.1 percent, and Detroit had the biggest job loss of 1.2 percent. (See Chart 5.)

**Chart 5.** Job Growth, U.S., NYC and 19 Next-Largest Metro Areas, Percent Change, 3Q05 vs. 3Q04

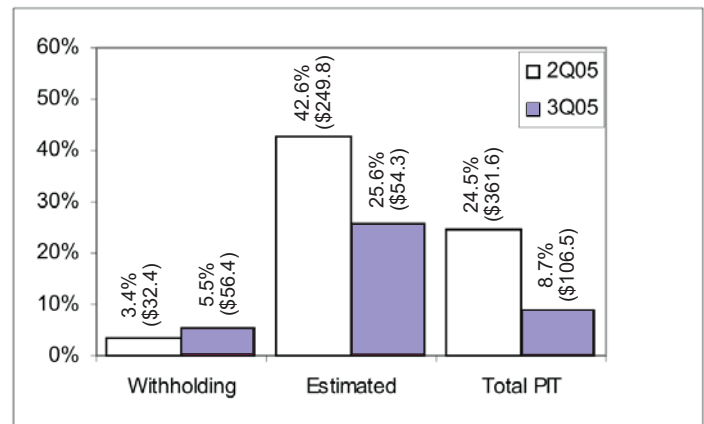


Source: BLS. Not seasonally adjusted. For NYC and Pittsburgh, city data are used. For Los Angeles, San Francisco, Chicago, Miami, Dallas, Philadelphia, Newark, Seattle, Detroit, and Washington, Metropolitan Division data are used. For Boston, New England city and town area (NECTA) Division data are used. For San Diego, Houston, Atlanta, Cleveland, Baltimore, St. Louis, and Minneapolis, Metropolitan Statistical Area data are used.

### 3. Income

Incomes in the City continue to grow at a healthy pace. Since personal income data are released with a two-year lag, personal income tax (PIT) data are used as a proxy. On a year-over-year basis, PIT rose 8.7 percent or \$106.5 million to \$1.3 billion in the third quarter. PIT revenues are derived primarily from withholding taxes (about 80 percent) and estimated taxes (about 20 percent). Withholding taxes, i.e., the amount of taxes withheld from employee paychecks, increased 5.4 percent or \$56.4 million to \$1.08 billion, reflecting the increase in jobs. Third-quarter estimated tax payments—i.e., PIT payments based on taxpayer’s estimates of interest earned, rental income, and capital gains—increased 25.6 percent or \$54.3 million to \$212.2 million. (See Chart 6.)

**Chart 6.** NYC PIT Revenues, Year-over-Year Percent Growth (\$Million), 2Q05 and 3Q05



Source: NYC Comptroller’s Office, based on data from the NYC Department of Finance. PIT means personal income tax. The data are not seasonally adjusted.

### 4. Inflation

The third-quarter NYC metro area inflation rate remained high at 4.1 percent, measured by the year-over-year change in the consumer price index. The inflation rate dropped to 3.3 percent in the second quarter from 4.1 percent in the first quarter.

Most of the rise in the inflation rate in the third quarter can be attributed to higher energy prices, which surged by a record 24 percent. The City’s energy prices grew slightly faster than the nation’s 23 percent rate. The core inflation rate, which includes all items except food and energy, rose slightly. It was 2.8 percent in the third quarter, only a slight increase over the 2.6 percent in the second quarter.

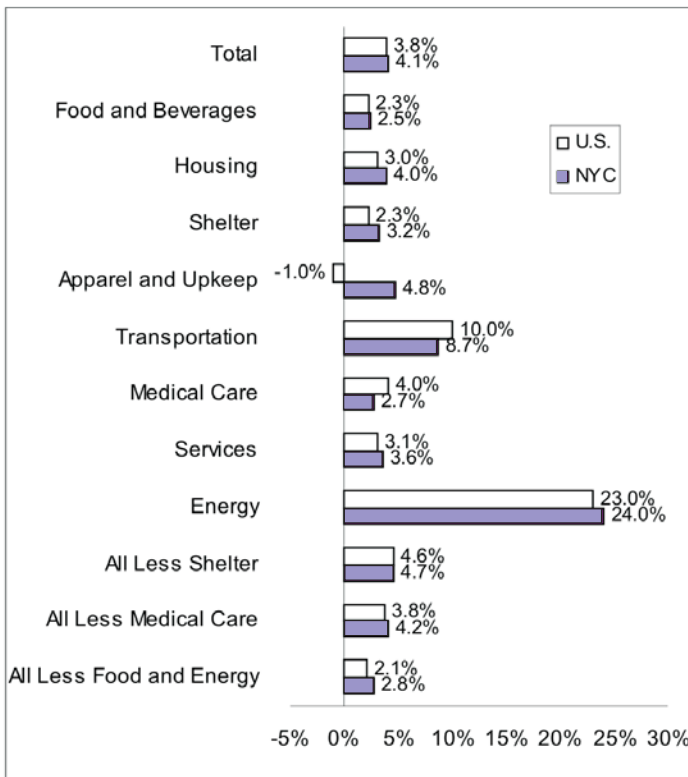
After energy, the largest increase occurred in transportation prices, which rose 8.7 percent, more than twice the 3.5 percent increase in the second quarter and the largest increase since 11.2 percent in the fourth quarter of 1990. The likely explanation is higher energy prices.

The increase in apparel and upkeep prices rose to 4.8 percent from 0.3 percent in the second quarter, the largest increase since the 6.5 percent jump in the second quarter of 2004. By comparison, in the nation these prices actually fell 1 percent in the third quarter.

Most categories of sales showed more moderate inflation. Service prices rose 3.6 percent in the third quarter, the same as the second quarter and more than the increase in the category's prices in the nation. Medical care prices rose 2.7 percent, less than the 4.0 percent increase for the nation. The price of food and beverages rose 2.5 percent, slightly more than the nation.

The U.S. urban average inflation rate was 3.8 percent in the third quarter, an increase over the 2.9 percent increase in the second quarter and the highest since 3.9 percent in the third quarter of 1991. Core inflation was only 2.0 percent, slightly below 2.2 percent in the second quarter. Chart 7 shows the City and U.S. inflation rate in various categories.

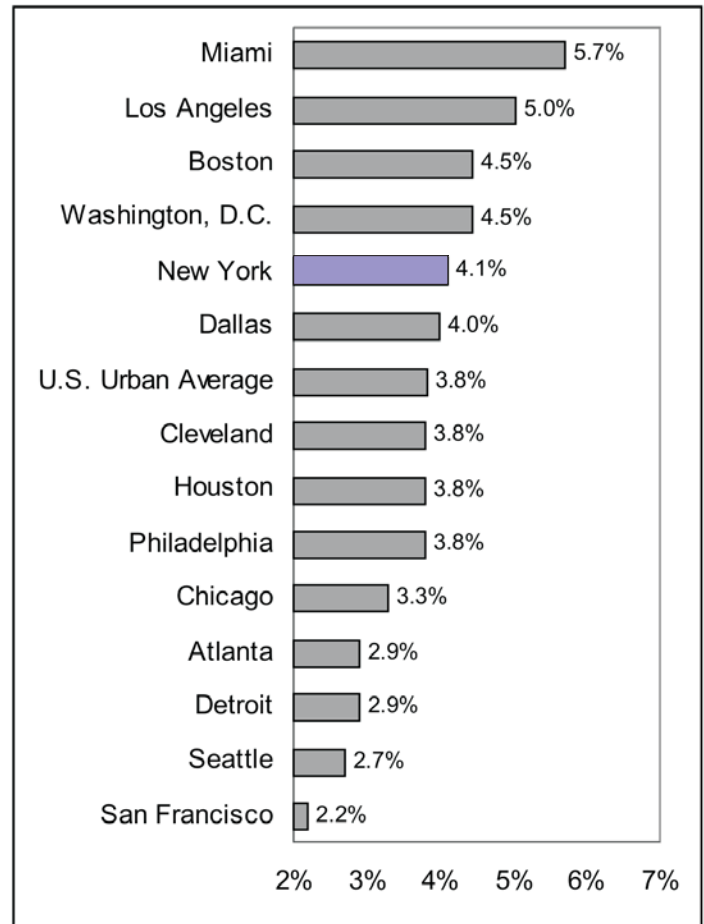
**Chart 7. NYC and U.S. Inflation Rates, 3Q05**



Source: BLS.

The City's inflation rate is high relative to other cities—the fifth-highest rate of the 14 largest metro areas. Miami had the highest inflation rate, 5.7 percent, and San Francisco had the lowest, 2.2 percent, as shown in Chart 8.

**Chart 8. Inflation Rate, 14 Largest Metro Areas and U.S. Urban Average, 3Q05**



Source: 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. (Percentages shown to the right of each bar are rounded to one decimal place; the bar lengths are drawn with more decimal-place precision.)

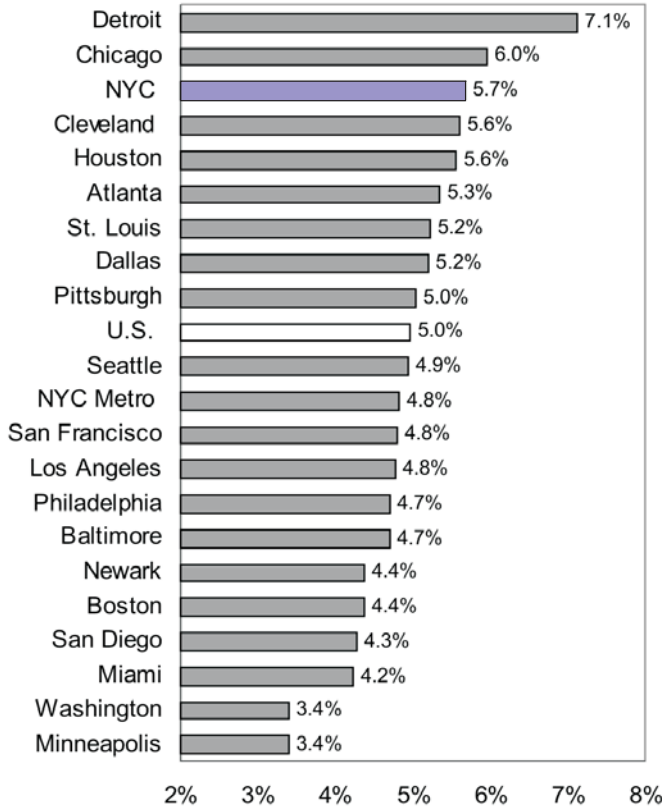
### 5. Unemployment and Employment of NYC Residents

Employment of City residents was marginally better in the third quarter than the second quarter, which was a very good quarter by historical standards. On a seasonally adjusted basis, the City's labor force increased by just 5,200. The labor-force-participation rate rose slightly to 59.2 percent in the third quarter from 59.1 percent in the second quarter. The number of employed City residents rose by 6,400 in the third quarter, a smaller increase from the 14,500 growth in the second quarter. The employment/population ratio edged up to a record 55.9 percent, from the 55.7 percent in the second quarter. The number of unemployed City residents fell by 1,200 and the unemployment rate fell to 5.6 percent in the third quarter, from 5.7 percent in the second quarter.

But the City's unemployment rate remains higher than the nation's. The U.S. unemployment rate fell to 5 percent in the third quarter from 5.1 percent in the second quarter. Also, the U.S. employment/population ratio rose to 62.9 percent in the third quarter from 62.7 percent in the second quarter. The labor-force-participation rate rose to 66.2 percent from 66 percent in the second quarter.

NYC had the third-highest unemployment rate, 5.7 percent, not seasonally adjusted, of the 20 largest metro areas, as shown in Chart 9. Detroit had the highest unemployment rate (7.1 percent) and Minneapolis had the lowest (3.4 percent).

**Chart 9.** Unemployment Rates for NYC, the 20 Largest Metro Areas, and the U.S. Urban Average, 3Q05

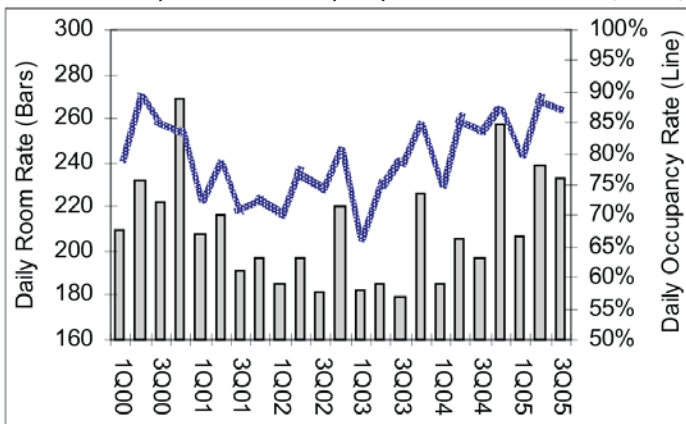


Source: BLS. All data (except for NYC, Newark and the U.S.) are for entire metro areas as defined in Chart 9. The NYC metro area is composed of the five NYC boroughs plus Westchester, Putnam, and Rockland counties. In the case of Newark, metropolitan division data are used because metropolitan area data are not available. These numbers are not seasonally adjusted.

**6. Tourism, Including the Hotel Industry**

Chart 10 shows the average daily room rate and occupancy rate for the hotels in New York City.

**Chart 10.** Daily Room and Occupancy Rates, NYC Hotels, 1Q00-3Q05



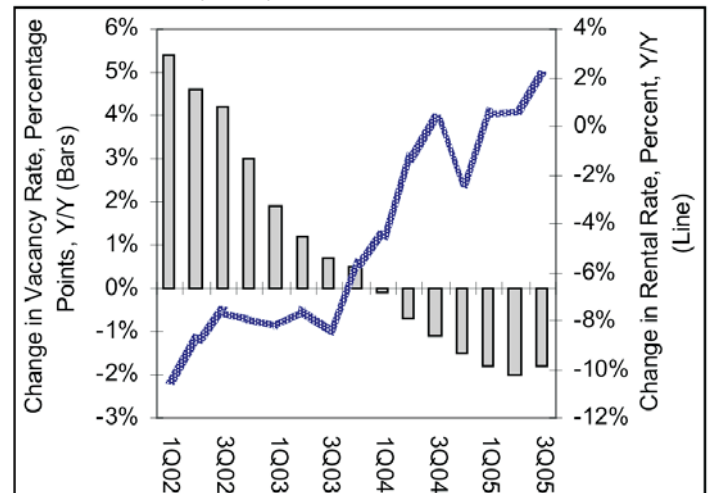
Source: PKF Consulting and NYC Comptroller's Office.

The hotel industry is seasonal—usually the first and third quarters of each year are the slowest. For the third quarter, the NYC hotel industry performed very well. The average daily occupancy rate was 87.2 percent, the best third quarter since 1980. This is substantially higher than the 83.5 percent average daily occupancy rate a year earlier, in the third quarter of 2004. The average daily room rate was about \$233 in the third quarter, a sharp increase from the \$197 average in the third quarter of 2004. This is an increase of over 18 percent, much higher than the City's average inflation rate.

**7. Real Estate**

The Manhattan commercial rental market continued to improve in the third quarter. The overall commercial vacancy rate fell to 9.6 percent in the quarter, from 9.8 percent in the second quarter of 2005 and 11.4 percent in the third quarter of 2004. Manhattan's third-quarter vacancy rate was the lowest since 9 percent in the fourth quarter of 2001. The average rental rate rose above \$41 in the third quarter, the highest since the first quarter of 2003. (See Chart 11.)

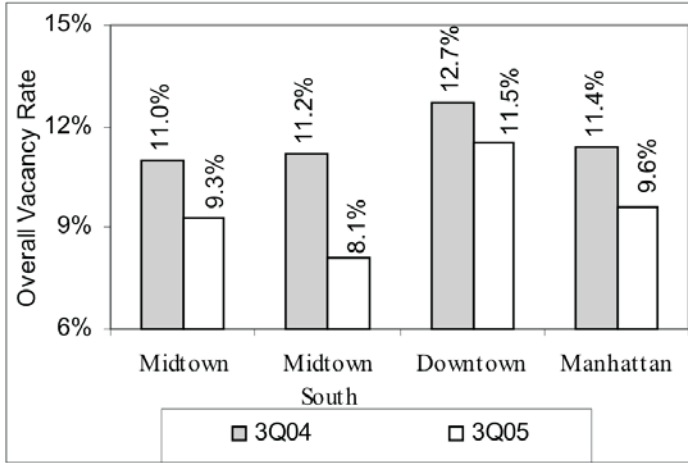
**Chart 11.** Change in Vacancy Rates and Rental Rates, Manhattan, Commercial, Y/Y, 1Q02-3Q05



Source: Monthly data from Cushman & Wakefield. Calculations by the NYC Comptroller's Office.

On a year-over-year basis, the overall vacancy rate fell the most in Midtown South, followed by Midtown and Downtown as shown in Chart 12.

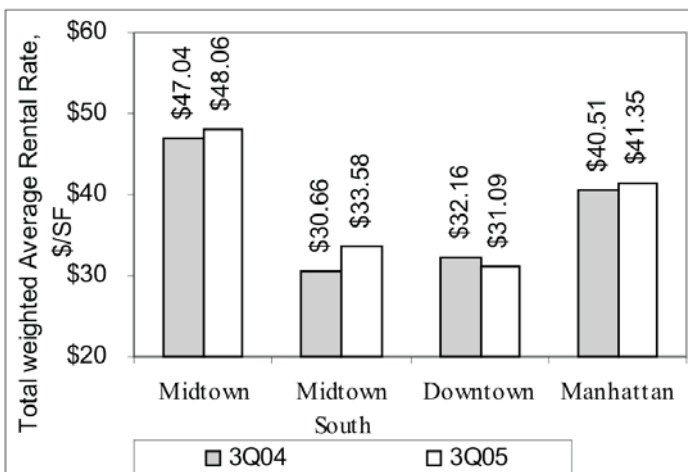
**Chart 12.** Vacancy Rates, Manhattan, Overall Commercial, 3Q04 and 3Q05



Source: Cushman & Wakefield.

Chart 13 shows the rental rates for Manhattan and its sub-markets. The rental rate increased the most in Midtown South, but fell in Downtown in the third quarter of 2005 from the third quarter of 2004. Both the vacancy rate and the rental rate declined in Downtown in the third quarter. For the last four quarters, Downtown has had the highest vacancy rates and the lowest rental rates.

**Chart 13.** Rental Rates per Sq. Ft., Manhattan, Commercial, Average, 3Q04 and 3Q05



Source: Cushman & Wakefield.

### 8. Leading Economic Indexes

On a year-over-year basis, three measures used to forecast the NYC economy improved in the third quarter of 2005, as shown in Table 1.

**Table 1.** Three Leading Economic Indexes, NYC, 3Q05 over 3Q04

	3Q05	3Q04	Change
NYC Business Conditions Index	346.1	306.7	+12.8%
“Current Conditions” question	66.0	63.1	+4.5%
“Six-Month Outlook” question	56.7	66.2	-14.4%
No. of NYC Building Permits	29,750	27,684	+7.5%
NYC Help-Wanted-Advertising	19.7	16.7	+18.0%

Source: National Association of Purchasing Management-New York (Business Conditions Index, 1996=100), NYC Dept. of Buildings (permits authorized) and the Conference Board (Help-Wanted-Advertising Index, 1987=100).

**Business Conditions Index.** The NYC business conditions index is the NAPM-NY’s composite gauge of current business conditions in New York City. It increased 12.8 percent in the third quarter, on a year-over-year basis. Also, the “current conditions” index increased 4.5 percent in the third quarter. However, one key component, the “six-month outlook” index, fell 14.4 percent.

**Number of Building Permits.** The number of NYC building permits authorized rose 7.5 percent in the third quarter, on a year-over-year basis.

**Help-Wanted-Advertising Index.** According to the Conference Board, the NYC help-wanted-advertising index (print media only) rose 18 percent in the third quarter of 2005, on a year-over-year basis.

**On Line Help-Wanted-Advertising Index.** According to the new Monster Local Employment Index, online (web-based) job demand/recruitment activity in the New York metropolitan area increased 2.7 percent in the third quarter of 2005 from the second quarter of 2005. During the same period, U.S. online job demand/recruitment rose 5.2 percent.

### 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		Core CPI <sup>3</sup> %ch year ago	
	NSA*	SA	NSA	SA	NSA	SA	NSA	SA	NSA	SA		Level	% Ch Year Ago		Level
											All Items		Core CPI <sup>3</sup>		
2003															
Nov.	3,574.3	3,530.1	3,016.4	2,973.2	3,416.9	3,414.3	7.9	8.0	58.8	58.8	17	199.4	3.1	212.6	2.7
Dec.	3,593.9	3,532.3	3,032.7	2,975.2	3,417.8	3,419.4	7.6	8.0	58.6	58.9	13	199.3	3.2	212.2	2.8
2004															
Jan.	3,473.9	3,526.3	2,920.6	2,969.5	3,410.0	3,425.3	8.4	7.9	59.0	59.0	17	199.9	2.7	212.7	2.1
Feb.	3,493.4	3,532.5	2,941.3	2,978.4	3,428.3	3,431.4	7.9	7.7	59.0	58.9	16	201.1	2.5	213.9	2.4
Mar.	3,522.4	3,538.2	2,968.9	2,981.7	3,440.3	3,437.6	8.0	7.6	59.3	59.0	17	203.4	3.2	216.6	3.4
Apr.	3,527.5	3,537.0	2,972.4	2,980.7	3,435.9	3,443.6	7.1	7.3	58.7	58.9	18	204.0	3.7	217.4	3.7
May	3,550.4	3,542.4	2,993.7	2,985.5	3,427.1	3,449.6	6.7	7.1	58.3	58.9	18	204.4	3.9	216.9	3.2
June	3,562.5	3,545.5	3,003.3	2,987.6	3,435.4	3,455.4	7.3	7.2	58.8	59.1	18	206.0	4.6	217.5	3.5
July	3,540.2	3,534.8	2,975.4	2,991.7	3,486.0	3,461.0	7.4	7.0	59.7	59.0	18	205.5	3.9	217.1	2.9
Aug.	3,521.9	3,539.5	2,970.7	2,995.3	3,478.3	3,466.4	6.7	6.8	59.2	59.0	16	205.7	3.3	217.4	2.3
Sept.	3,532.6	3,553.0	2,993.7	2,997.6	3,458.6	3,471.6	6.5	6.8	58.7	59.1	16	205.9	3.2	218.1	2.8
Oct.	3,568.3	3,550.7	3,020.4	2,996.9	3,477.6	3,476.4	6.4	6.5	58.9	59.0	16	207.3	3.7	219.5	2.9
Nov.	3,594.8	3,550.0	3,040.0	2,996.4	3,503.9	3,480.9	6.0	6.3	59.2	59.0	17	207.2	3.9	218.9	3.0
Dec.	3,612.6	3,550.1	3,054.7	2,996.5	3,502.8	3,485.0	6.3	6.6	59.3	59.2	17	206.8	3.8	218.4	2.9
2005															
Jan.	3,516.0	3,567.3	2,965.5	3,013.5	3,471.5	3,491.7	6.2	5.8	58.7	58.9	18	208.1	4.1	220.4	3.6
Feb.	3,525.8	3,564.1	2,977.7	3,011.2	3,490.6	3,499.3	6.5	6.1	59.2	59.2	20	208.9	3.9	221.2	3.4
Mar.	3,550.2	3,565.9	2,998.9	3,012.1	3,506.0	3,501.0	5.3	5.2	58.8	58.6	20	212.4	4.4	225.5	4.1
Apr.	3,565.0	3,574.4	3,012.1	3,020.6	3,511.9	3,517.0	5.4	5.7	58.9	59.2	20	212.5	4.2	224.6	3.3
May	3,581.8	3,573.1	3,027.0	3,019.3	3,500.3	3,515.2	5.5	5.9	58.8	59.3	18	211.4	3.4	222.9	2.8
June	3,595.5	3,578.5	3,040.0	3,026.1	3,501.6	3,503.3	5.3	5.5	58.7	58.8	21	210.7	2.3	221.5	1.8
July	3,576.6	3,576.9	3,015.3	3,032.9	3,542.4	3,507.3	6.0	5.7	59.8	59.0	20	212.5	3.4	222.7	3.6
Aug.	3,565.4	3,587.6	3,015.4	3,040.9	3,530.7	3,510.0	5.1	5.1	59.1	58.7	19	214.1	4.1	224.4	3.2
Sept.	3,576.1	3,594.0	3,039.0	3,042.0	3,522.1	3,537.3	6.0	6.1	59.5	59.8	20	215.8	4.8	223.6	2.5

\*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	
	MRT <sup>1</sup>		RPTT <sup>2</sup>		Sales	Corp.	Bank	PIT	Vacancy Rate		Asking Rental Rate		Total Number of Building Permits Authorized	Year-to-Date	Hotel Occupancy Rate	Daily Room Rate
	\$ mil.	\$ mil.	\$ mil.	\$ mil.	\$ mil.	\$ mil.	\$ mil.	\$ mil.	(%)	(%)	(\$/s.f.)	(\$/s.f.)				
2003	41.7	30.6	283.8	-9.3	311.2	104.0	618.6	na	na	na	na	na	7,321	86,869	84.6	222.11
Nov.	65.8	30.7	411.4	311.2	104.0	618.6	11.9	13.5	45.37	36.92	7,291	94,160	82.8	239.08		
Dec.																
2004																
Jan.	69.0	31.1	337.2	74.8	11.0	809.5	Na	na	na	na	na	6,480	6,480	68.2	177.42	
Feb.	74.8	32.7	275.3	-49.1	512.4	512.4	Na	na	na	na	na	7,054	13,534	73.9	184.93	
Mar.	91.1	74.6	400.0	482.3	67.3	337.1	11.8	12.9	45.61	33.68	9,011	22,545	83.3	193.67		
Apr.	90.8	28.2	309.7	63.5	13.3	709.8	Na	na	na	na	na	8,649	31,194	85.0	196.99	
May	78.4	55.2	310.0	-4.7	244.6	244.6	Na	na	na	na	na	8,661	39,855	85.7	213.30	
June	46.0	60.0	438.0	291.0	162.0	518.0	11.3	13.0	47.16	32.25	9,754	49,609	87.1	208.23		
July	119.3	0.0	282.0	0.0	0.0	329.5	Na	na	na	na	na	9,974	59,583	83.4	185.09	
Aug.	97.9	0.0	275.1	0.0	0.0	350.9	Na	na	na	na	na	9,294	68,877	79.8	182.31	
Sept.	87.9	119.5	443.3	339.4	155.8	538.8	11.0	12.7	47.04	32.16	8,416	77,293	87.4	222.91		
Oct.	91.5	123.5	308.6	47.7	11.1	335.5	Na	na	na	na	na	8,753	86,046	88.9	245.35	
Nov.	90.3	77.3	308.2	10.6	-18.3	446.8	Na	na	na	na	na	8,398	94,444	86.8	253.00	
Dec.	85.8	76.5	456.4	399.2	137.3	748.7	10.1	13.7	45.98	31.55	7,984	10,2428	84.6	273.43		
2005																
Jan.	105.4	82.5	366.9	59.8	7.5	920.0	Na	na	na	na	na	7,425	7,425	72.0	193.94	
Feb.	96.0	83.3	284.8	3.4	-1.7	587.4	Na	na	na	na	na	7,396	14,821	80.4	207.69	
Mar.	108.5	90.0	464.0	605.1	124.5	396.6	9.8	12.3	47.13	31.03	9,558	24,379	87.5	217.86		
Apr.	126.9	110.2	325.7	88.5	13.5	962.1	Na	na	na	na	na	8,989	33,368	87.4	230.39	
May	134.6	152.8	330.2	18.3	-0.7	306.9	Na	na	na	na	na	9,552	42,920	89.6	240.23	
June	106.2	92.4	330.2	365.4	189.3	566.3	9.2	12.0	47.87	31.20	10,074	52,994	90.0	245.03		
July	94.5	101.6	310.2	0.0	0.0	344.6	Na	Na	Na	Na	Na	9,760	62,754	87.0	212.48	
Aug.	134.2	126.1	293.4	0.0	0.0	419.1	Na	Na	Na	Na	Na	10,363	73,117	84.9	205.34	
Sept.	121.4	133.9	464.4	452.7	116.4	561.5	9.3	11.5	48.06	31.09	9,627	82,744	89.8	280.63		

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.