

# New York City Economic Snapshot

November 2022

Dear NYC Partner,

As the entity charged with driving the city's economic growth, we are pleased to release our second monthly Economic Snapshot. This report assembles and highlights data from key sources that we track most closely in measuring the strength of NYC's economy.

A few highlights from this month's report include:

- On balance, the labor market continues to heal. The unemployment rate has trended lower since the beginning of the year, but remains at 5.9%, higher than the US rate of 3.7%. And the labor force participation rate continues to rise, signaling more New Yorkers are rejoining the labor force.
- NYC's tourism sector continues to thrive, as the city remains the most popular tourism destination in the nation. Both Broadway attendance and hotel occupancy rates reached new post-COVID highs this month. Broadway attendance averaged 86.2% of pre-pandemic levels over the past month, and hotel occupancy is up nearly 20 percentage points from a year ago.
- We are seeing this strength in the tourism sector reflected in the latest job numbers for NYC. Hotel and restaurant employment increased by 9,600 jobs in October, and the Arts, Entertainment & Recreation sector added another 2,200 jobs. Employment in these sectors, which were hit hard by COVID, has increased 15.4% and 21.7% year-over-year respectively.
- Return-to-office metrics have increased throughout the fall, however, they are still hovering just below 50 percent.

As always, we continue to watch the economic data for signs of weakness, as global and macroeconomic conditions are headwinds to the NYC economy. But, at this point, the vast majority of data indicates that the city's economy is continuing to recover.

Having a clear picture of the city's economic data informs our work here at NYCEDC, as we build a more vibrant and inclusive economy. We hope you find this report useful in your work as well.



**Andrew Kimball**  
President & CEO,  
New York City Economic Development Corporation

Since Jan. 1 '22  
(Adams Admin) Pre-COVID

Indicator	Latest		Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Labor Market</b>				
The labor market in NYC continues to recover, as October is the ninth straight month of private sector job growth, and our private sector employment growth (+5.6% y/y) is well-above the US rate of 3.8%. The New York City metro area has added over 400K jobs over the past year, leading all metro areas. There are some signs that hiring activity is slowing (slowing job growth rates, slowing job posting activity across a range of industries), which matches trends across large US metros.				
<b>City Private Sector Employment Change &amp; Annual Growth Rate</b> (Oct 2022)	+13,300 +5.6% y/y	+5,100 +6.8% y/y	+169,500	+6,500 per month +2.4% y/y (2019 avg)
<b>Unemployment Rate</b> (Oct 2022)	5.9%	5.6%	-1.5 percentage points	3.7% (Feb 2020)
<b>Labor Force Participation</b> (Oct 2022)	60.6%	60.4%	+1.8 percentage points	60.6% (Feb 2020)
<b>Metro Area Employment</b> (Oct 2022)	+4,200 +4.3% y/y	+33,600 +4.9% y/y	+313,700	+7,800 per month, +1.3% y/y
<b>Job Postings</b> (Oct 2022)	80,540	85,492	865,639	76,645 (2019 avg)
<b>Key Takeaways: Business Activity</b>				
New business creation surged in the first quarter of the Adams administration, as over 27,500 (or 1 in 10) businesses in NYC started in the past year. VC funding is slowing compared to its record year in 2021, but 2022 remains on pace to be the second-best year in the history of venture capital flows in NYC. VC funding is up 36.4% compared to the first 3 quarters of 2019.				
<b>New business formation</b> (2022:Q1)	11,850	3,241	8,814	7,100 (2019 avg)
<b>Net business formation</b> (2022:Q1)	+5,000	-900	-5,500	+400 (2019 avg)
<b>VC Funding</b> (2022:Q3)	\$6.160B	\$9.398B (2022:Q2)	\$23.941B	\$3.940B (2019:Q3)
<b>VC Funding</b> (2022 through Q3)	\$23.941B	\$34.537B (2021 through Q3)	n/a	\$17.546B (2019 through Q3)
<b>Key Takeaways: Real Estate</b>				
Office occupancy metrics continue to trend higher in October, signaling more New Yorkers are returning to the office. Vacancy rates ticked up in Q3 and are elevated compared to pre-COVID, but hardly at crisis levels.				
<b>Kastle Office Occupancy</b> (4-wk avg, 11/16)	47.1%	45.4%	+23.8 percentage points	100%
<b>PFNYC Return to Office Survey</b> (Sep 2022)	49%	38% (April)	+21 percentage points (Oct 2021)	n/a
<b>Office Vacancy Rate</b> (2022:Q3)	12.8%	12.7%	+0.7 percentage points	7.6% (2019 avg)
<b>Retail Vacancy Rate</b> (2022:Q3)	4.1%	4.0%	+0.2 percentage points	3.4% (2019 avg)

Since Jan. 1 '22  
(Adams Admin) Pre-COVID

Indicator Latest

**Key Takeaways: Tourism & Transit**

Despite potential headwinds from a stronger dollar, our tourism industry continues to recover, as Broadway attendance and hotel occupancy rates reached new post-COVID highs in the latest readings. Recovery in transit indicators has stalled somewhat over the past six months.

Indicator	Latest	Pre-COVID	Change
<b>Broadway Attendance</b> (4-wk avg, 11/13)	86.2%	79.9%	+15.7 percentage points
<b>Hotel Occ. Rate</b> (Sep 2022)	86.1%	77.1%	+13.9 percentage points
<b>Times Sq. Ped Count</b> (4-wk avg, 11/6)	86.4%	80.2%	+13.9 percentage points
<b>Subway Ridership</b> (4-wk avg, 11/15)	62.8%	63.6%	+7.1 percentage points
<b>Bus Ridership</b> (4-wk avg, 11/15)	63.9%	62.9%	+1.0 percentage point

Sources for the New York City Economic Snapshot include the NYS Department of Labor, the US Bureau of Labor Statistics, Lightcast, Pitchbook, Kastle Systems, the Partnership for New York City, Costar, Broadway League, STR, Times Square Alliance, and MTA Open Data.

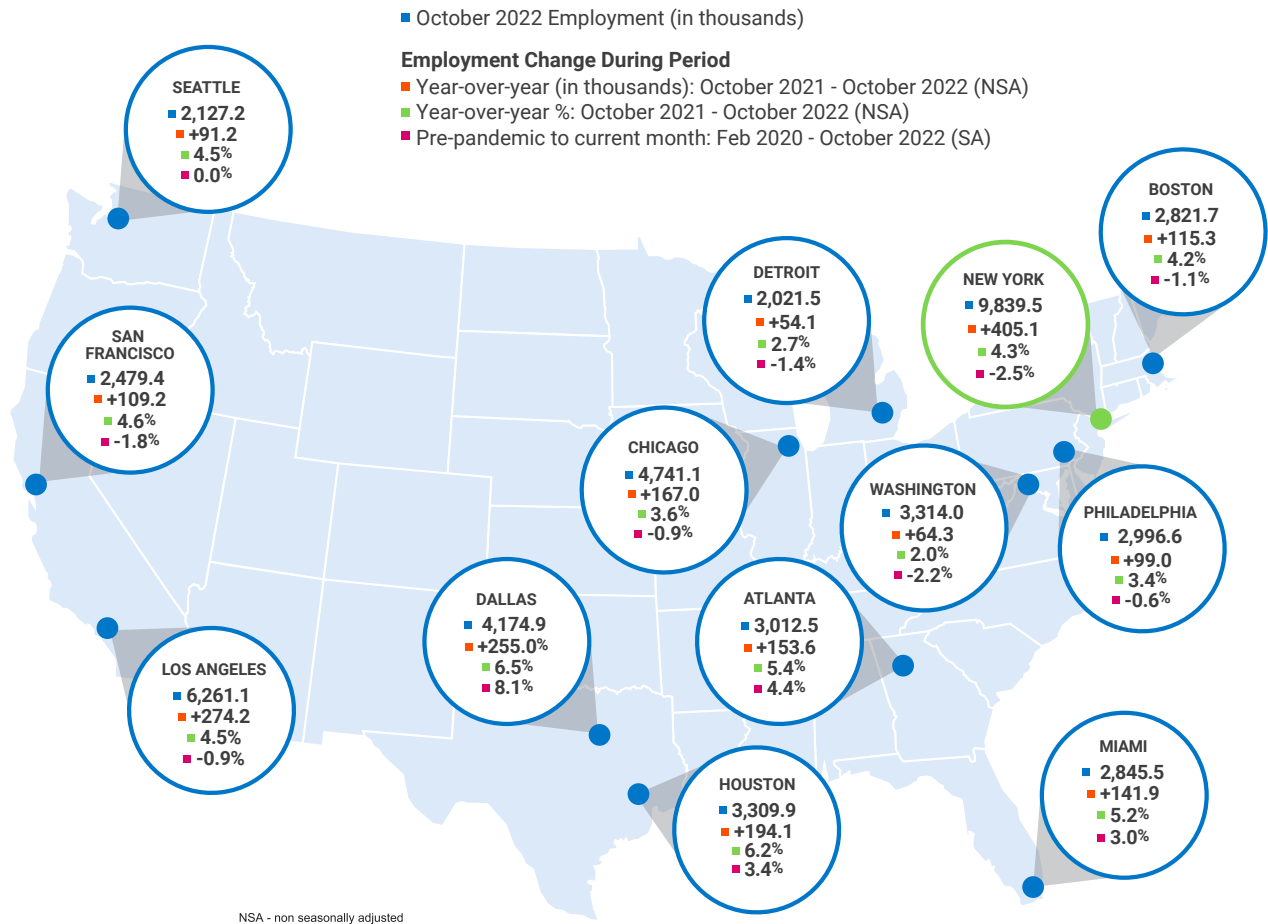
**Legend**

- Indicator improved from prior reading
- Indicator worsened from prior reading
- No change

# NYC Metro Area Employment

Compared to Other Major Metro Areas

To give local employment data a national perspective, we compare employment in the NYC Metro Area to other major metro areas around the US. We use metroareas rather than cities to provide a more consistent bases for regional economic comparison.



NSA - non seasonally adjusted  
SA - seasonally adjusted

Source: US Bureau of Labor Statistics



## **About NYCEDC**

New York City Economic Development Corporation is a mission-driven, nonprofit organization that creates shared prosperity across New York City by strengthening neighborhoods and creating good jobs. We work with and for communities to bring emerging industries to New York City; develop spaces and facilities for businesses; empower New Yorkers through training and skill-building; and invest in sustainable and innovative projects that make the city a great place to live and work.

For more economic data, insights, and analysis from NYCEDC's Economic Research & Policy group, and to receive economic reports via email, visit [edc.nyc/insights](https://edc.nyc/insights).

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