

# New York City Economic Snapshot

January 2024

Dear NYC Partner,

As the entity charged with driving the city's economic growth, we are pleased to release our latest 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 key points from this month's report include:

- New York City reached another new all-time high in private sector employment, adding 7,300 new jobs in December, and the private sector job count is 26,100 jobs above the pre-pandemic high. Since the beginning of the Adams administration, the city has added 272,200 total jobs.
- The unemployment rate ticked up one-tenth to 5.4 percent in December, with the unemployment rate having held steady between 5.3 percent and 5.4 percent for all of 2023.
- The Black unemployment rate declined for the third consecutive quarter, to 9.3 percent. Black unemployment has fallen 1.4 percentage points and Black labor force participation has increased 4.7 percentage points since the beginning of the Adams administration.
- Venture capital activity was dampened by higher interest rates in 2023, with New York City companies receiving \$18.7 billion in funding—down 35 percent compared to 2022. However, Q4 offered some positive momentum, with the \$5.0 billion raised in the quarter marking a significant increase of 41.4 percent compared to Q3.
- Over 10.7 million square feet of office space was leased last quarter, the highest total since 2022:Q3. Office leasing activity increased 35 percent from the prior quarter and 13 percent from a year ago.
- We're including a new metric from REBNY on Class A+ office visitation. In November, Class A+ office visitation was 78 percent of pre-pandemic levels, up from 74 percent in October. Class A+ office visitation was higher than overall office visitation, as higher quality office buildings continue to outperform.

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 it useful in your work as well.



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

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Labor Market</b>				
The city added 7,300 private sector jobs in December, reaching a record high for private sector employment. While New York City now has 26,100 more private sector jobs than pre-pandemic, the pace of annual job growth has slowed significantly from 5.6% in January to 1.3% in December. The unemployment rate ticked up to 5.4% and held between 5.3% and 5.4% for all of 2023. The Black unemployment rate has now declined for three consecutive quarters.				
<b>City Private Sector Employment Change &amp; Annual Growth Rate</b> (December 2023)	+7,300 +1.3% y/y	-3,900 +1.8% y/y	+269,800	+6,500 per month +2.4% y/y (2019 avg)
<b>Metro Area Employment</b> (December 2023)	+18,000 +0.9% y/y	-10,600 +1.2% y/y	+434,800	+7,800 per month, +1.3% y/y (2019 avg)
<b>Job Postings</b> (December 2023)	49,100	48,400	1.73M	76,600 (2019 avg)
<b>Labor Force Participation</b> (December 2023)	62.3%	62.4%	+1.9 pct pts	60.2% (Feb 2020)
<b>Unemployment Rate</b> (December 2023)	5.4%	5.3%	-2.6 pct pts	4.3% (Feb 2020)
<b>BIPOC Unemployment Rate</b> (2023:Q4)	6.7%*	6.7%	-2.3 pct pts	5.3% (2020:Q1)
<b>Black Unemployment Rate</b> (2023:Q4)	9.3%*	9.5%	-1.4 pct pts	8.1% (2020:Q1)
<b>Latinx Unemployment Rate</b> (2023:Q4)	7.0%*	6.7%	-2.2 pct pts	5.3% (2020:Q1)
<b>White Unemployment Rate</b> (2023:Q4)	3.0%*	2.8%	-3.9 pct pts	2.7% (2020:Q1)
<b>BIPOC Labor Force Participation Rate</b> (2023:Q4)	59.9%*	60.4%	+1.8 pct pts	58.3% (2020:Q1)
<b>Black Labor Force Participation Rate</b> (2023:Q4)	60.3%*	60.5%	+4.7 pct pts	56.2% (2020:Q1)
<b>Latinx Labor Force Participation Rate</b> (2023:Q4)	58.6%*	59.1%	-0.2 pct pts	58.9% (2020:Q1)
<b>White Labor Force Participation Rate</b> (2023:Q4)	67.5%*	67.4%	+3.4 pct pts	63.8% (2020:Q1)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Business Activity</b>				
About 28,000 businesses (or 1 in 7) were started in the past year, as 6,500 new businesses started in 2023:Q2, while just 4,800 businesses closed last quarter (down 10% from closures a year ago). However, VC funding had a weaker 2023, with higher interest rates dampening activity. VC funding in 2023 (\$18.7 billion) is 35% lower than 2022 and 63% lower than 2021.				
<b>New Business Formation</b> (2023:Q2)	6,500	7,300	44,400	7,100 (2019 avg)
<b>Net Business Formation</b> (2023:Q2)	+1,700	-1,200	+7,300	+400 (2019 avg)
<b>VC Funding</b> (2023:Q4)	\$4.961B	\$3.508B (2023:Q3)	\$47.711B	\$5.794B (2019:Q4)
<b>VC Funding</b> (2023 through Q4)	\$18.726B	\$28.985B (2022 through Q4)	n/a	\$24.111B (2019 through Q4)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Real Estate</b>				
Return-to-office was lower in December and early January, down 7 percentage points from the prior month. REBNY office visitation held steady at 70% in November, and REBNY Class A+ Office Visitation at 74% in November shows that higher quality buildings continue to outperform. For housing, median asking rents fell slightly for the third consecutive month.				
<b>Kastle Metro Area Office Occupancy</b> (4-wk avg excluding holiday weeks, 1/17/24)	46.0%	53.0%	+22.8 pct pts	100%
<b>PFNYC Return to Office Survey</b> (November 2023)	58%	52% (Feb 2022)	+30 pct pts (Oct 2021)	n/a
<b>REBNY Office Visitation</b> (November 2023, excluding week of Thanksgiving)	70%	70%	n/a	100% (2019)
<b>REBNY Class A+ Office Visitation</b> (November 2023, excluding week of Thanksgiving)***	78%	74%	n/a	100% (2019)
<b>Manhattan Office Availability Average**</b> (2023:Q4)	18.7%	18.8%	+0.9 pct pts	10.3% (2019 avg)
<b>Office Vacancy Rate</b> (2023:Q4)	14.3%	13.9%	+2.6 pct pts	7.6% (2019 avg)
<b>Office Leasing Activity</b> (2023:Q4)	62.4%	73.0%	-4.5 pct pts	100%
<b>Retail Vacancy Rate</b> (2023:Q4)	4.1%	4.1%	+0.4 pct pts	3.2% (2019 avg)
<b>StreetEasy Rent Index</b> (December 2023)	117.1	117.6	+16.8	100.0 (Feb 2020)
<b>StreetEasy Inventory Index</b> (December 2023)	104.7	109.5	+10.0 pts	100.0 (Dec 2019)

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

**Indicator** **Latest** **Previous**

**Key Takeaways: Tourism & Transit**

Tourism and transit data is weaker than last month. One bright spot: While hotel occupancy rates fell in November to 84% of pre-pandemic levels (compared to 87% in October), hotel occupancy rates are up 4 percentage points from November 2022 and 14 percentage points from November 2021.

Indicator	Latest	Previous	Change	Pre-COVID
<b>Broadway Attendance</b> (4-wk avg, 1/7/24)	73.5%	81.1%	+3.0 pct pts	100%
<b>Hotel Occupancy Rate</b> (November 2023)	84.0%	87.0%		89.4% (Nov 2019)
<b>Times Sq. Pedestrian Count</b> (30-day avg, 1/7/24)	76.3%	78.1%	+3.8 pct pts	100%
<b>Subway Ridership</b> (30-day avg, 1/11/24)	67.9%	72.1%	+11.3 pct pts	100%
<b>Bus Ridership</b> (30-day avg, 1/11/24)	56.3%	61.3%	-7.2 pct pts	100%




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, the Real Estate Board of New York, Costar, Cushman & Wakefield, Newmark, Savills, Colliers, JLL, StreetEasy, Broadway League, STR, Times Square Alliance, NYC Tourism and Conventions, Visa, and MTA Open Data.

\*Quarter-to-quarter changes within half of a percentage point are likely statistically insignificant due to the small sample size. We do not report quarterly estimates for the Asian population due to high margins of error, caused by heterogeneity in the population.

\*\* This is a simple average of vacancy rates from Cushman & Wakefield and JLL, and availability rates from Newmark, Savills, Costar, and Colliers. Newmark's availability rate for 2023 Q3 was unavailable at time of publishing and was assumed to be consistent from 2023 Q2. The Citywide rates are using Costar data.

\*\*\* This is an average visitation rate for Class A+ buildings in Manhattan, where REBNY defines Class A+ businesses as a mix of trophy and high-quality Class A buildings. Monthly visitation rates are compared to the average weekly visitation rate in 2019 (excluding holiday weeks).

**Legend**

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

# NYC Employment by Industry

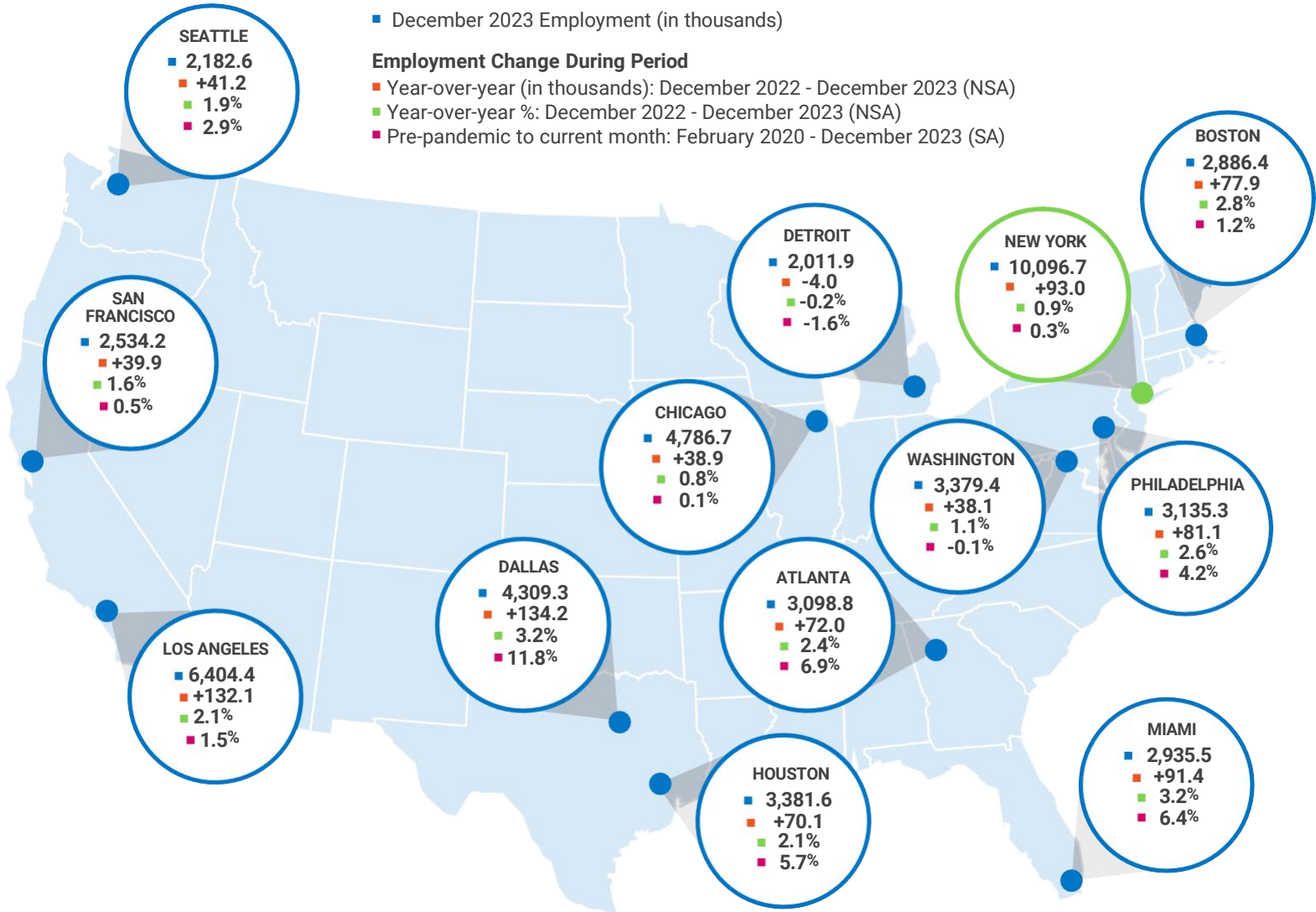
INDUSTRY	EMPLOYMENT (thousands)							
	Dec 2023	Nov 2023	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to Dec 2023	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to Dec 2023
<b>FIRE</b>	<b>495</b>	<b>495</b>	<b>0.1%</b>	<b>-0.6%</b>	<b>25,600</b>	<b>33,500</b>	<b>130.8%</b>	<b>7,900</b>
Finance & Insurance	358	358	0.0%	-1.6%	10,800	20,300	187.6%	9,500
Securities	190	189	0.5%	-2.7%	5,600	13,400	237.2%	7,700
Banking	106	107	-0.8%	-0.3%	3,700	4,700	126.2%	1,000
Other	61	61	0.0%	-0.6%	1,400	2,200	151.9%	700
Real Estate	137	137	0.3%	2.2%	16,200	14,600	90.4%	-1,600
<b>SERVICES</b>	<b>2,863</b>	<b>2,857</b>	<b>0.2%</b>	<b>2.5%</b>	<b>641,700</b>	<b>748,100</b>	<b>116.6%</b>	<b>106,400</b>
Information	213	211	0.7%	-11.0%	35,400	19,000	53.6%	-16,500
Professional & Business	788	791	-0.4%	-0.7%	101,500	108,300	106.6%	6,700
Professional, Scientific & Technical	461	460	0.3%	-0.5%	37,500	52,700	140.4%	15,200
Management of Companies & Enterprises	71	72	-0.6%	-0.4%	11,100	9,900	88.5%	-1,300
Administrative & Support	256	260	-1.6%	-1.3%	57,500	50,400	87.5%	-7,200
Educational	271	269	0.5%	6.7%	27,700	41,900	151.2%	14,200
Healthcare & Social Assistance	964	957	0.7%	8.3%	116,000	256,400	221.0%	140,400
Arts & Entertainment	86	83	4.4%	6.3%	55,700	46,400	83.2%	-9,400
Accommodation & Food	362	364	-0.5%	3.0%	268,600	256,100	95.3%	-12,600
Other	180	182	-1.2%	-2.4%	66,900	50,400	75.3%	-16,500
<b>TRADE</b>	<b>424</b>	<b>424</b>	<b>0.0%</b>	<b>-2.3%</b>	<b>147,300</b>	<b>85,200</b>	<b>57.8%</b>	<b>-62,200</b>
Retail	295	296	-0.5%	-2.3%	115,800	64,700	55.9%	-51,100
Wholesale	129	128	0.9%	-2.5%	31,600	20,500	64.9%	-11,100
<b>MANUFACTURING</b>	<b>57</b>	<b>57</b>	<b>-0.9%</b>	<b>-2.9%</b>	<b>28,100</b>	<b>18,800</b>	<b>66.8%</b>	<b>-9,300</b>
<b>TRANSPORTATION AND UTILITIES</b>	<b>142</b>	<b>141</b>	<b>0.2%</b>	<b>-5.2%</b>	<b>39,700</b>	<b>31,500</b>	<b>79.4%</b>	<b>-8,200</b>
<b>NATURAL RESOURCES, MINING AND CONSTRUCTION</b>	<b>154</b>	<b>153</b>	<b>1.1%</b>	<b>5.1%</b>	<b>74,900</b>	<b>66,400</b>	<b>88.7%</b>	<b>-8,400</b>
<b>TOTAL PRIVATE</b>	<b>4,134</b>	<b>4,127</b>	<b>0.2%</b>	<b>1.3%</b>	<b>946,300</b>	<b>972,500</b>	<b>102.8%</b>	<b>26,100</b>
<b>GOVERNMENT</b>	<b>571</b>	<b>568</b>	<b>0.4%</b>	<b>-0.2%</b>	<b>22,000</b>	<b>(1,700)</b>	<b>-7.7%</b>	<b>-23,700</b>
<b>TOTAL (PRIVATE + GOVERNMENT) NYC</b>	<b>4,705</b>	<b>4,695</b>	<b>0.2%</b>	<b>1.1%</b>	<b>956,500</b>	<b>958,900</b>	<b>100.2%</b>	<b>2,400</b>

**Note:** Numbers may not add to totals due to rounding. Employment trough is April 2020 except for the following sectors, for which the trough is July 2020: FIRE (inclusive of all sub-sectors), Information, and Government

# 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 metro areas rather than cities to provide a more consistent basis 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 works for a vibrant, inclusive, and globally competitive economy for all New Yorkers. We take a comprehensive approach, through four main strategies: strengthen confidence in NYC as a great place to do business; grow innovative sectors with a focus on equity, build neighborhoods as places to live, learn, work, and play; and deliver sustainable infrastructure for communities and the city's future economy.

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](http://edc.nyc/insights).

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