

# New York City Economic Snapshot

October 2022

Dear NYC Partner,

Those of us who follow the data related to New York City's economy know that information comes from many sources and is publicly released at different moments over the course of a month or quarter.

As the entity charged with driving the city's economic growth, NYCEDC is pleased to release its first 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:

- The labor market continues to heal; business activity is strong, with one in 10 businesses having started in the past year; and return-to-office metrics are trending higher.
- The Arts, Entertainment & Recreation sector added 5,200 jobs in September, which is great news for an industry that was hit hard by COVID, and for the city's standing as a world-renowned center of the arts.
- Venture capital funding is on track for its second-best year ever, reflecting the city's role as a global financial hub.
- And the New York City metro area has added over 450,000 jobs over the past year—almost 200,000 more jobs than runners-up Los Angeles and Dallas.

The Snapshot helps inform NYCEDC's work not just in leading the city's recovery from COVID, but in building a more vibrant and inclusive economy for the future. As new significant data sets emerge, the Snapshot will continue to evolve to best capture the state of the city's 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 labor market in NYC continues to recover, our private sector employment growth is well-above the US rate of 4.2%, and the unemployment rate declined a full percentage point in September. Labor force participation is trending higher, signaling more New Yorkers are rejoining the labor force. The New York City metro area has added over 450K jobs over the past year, leading all metro areas. There are some signs that hiring activity is slowing (slowing job growth, slowing job posting activity) which matches trends across large US metro areas.				
<b>City Private Sector Employment Change &amp; Annual Growth Rate</b> (Sep 2022)	+4,900 +6.8% y/y	+14,700 +7.9% y/y	+155,900	+6,500 per month +2.4% y/y (2019 avg)
<b>Unemployment Rate</b> (Aug 2022)	5.6%	6.6%	-1.8 percentage points	3.7% (Feb 2020)
<b>Labor Force Participation</b> (Sep 2022)	60.4%	60.9%	+1.5 percentage points	60.6% (Feb 2020)
<b>Metro Area Employment</b> (Sep 2022)	+34,500 +4.8% y/y	+22,000 +5.2% y/y	+310,400	+7,800 per month +1.3% y/y
<b>Job Postings</b> (Sep 2022)	85,146	89,977	71,554	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 35% compared to the first 3 quarters of 2019.				
<b>New business formation</b> (2022:Q1)	11,850	3,241	11,850	7,100 (2019 avg)
<b>Net business formation</b> (2022:Q1)	+5,000	-900	+5,000	+400 (2019 avg)
<b>VC Funding</b> (2022:Q3)	\$5,784M	\$9,410M (2022:Q2)	\$23,610M	\$3,901M (2019:Q3)
<b>VC Funding</b> (2022 through Q3)	\$23,610M	\$34,537M (2021 through Q3)	n/a	\$17,488M (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 office. Vacancy rates are elevated compared to pre-COVID, but hardly at crisis levels.				
<b>Kastle Office Occupancy</b> (4 wk avg, 10/12)	45.3%	38.6%	+22.1 percentage points	100%
<b>PFNYC Return to Office Survey</b> (Sep 2022)	49%	38% (April)	+21 percentage points	n/a
<b>Office Vacancy Rate</b> (2022:Q2)	12.7%	12.2%	+0.6 percentage points	7.6% (2019 avg)
<b>Retail Vacancy Rate</b> (2022:Q2)	4.0%	4.0%	+0.1 percentage points	3.4% (2019 avg)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin.)	Pre-COVID
<b>Key Takeaways: Tourism &amp; Transit</b>				
Tourism and mobility indicators have plateaued a bit recently, but most have improved significantly during the Adams administration. Broadway attendance (40% a year ago), hotel occupancy (58.5% a year ago), and Times Square visitors (up 30% year-over-year) all indicate a recovering tourism sector.				
<b>Broadway Attendance</b> (4 wk avg, 10/9)	80.0%	79.7%	+9.5 percentage points	100%
<b>Hotel Occ. Rate</b> (July 2022)	77.4%	83.6%	+5.2 percentage points	n/a
<b>Times Sq. Ped Count</b> (4 wk avg, 10/16)	80.2%	84.3%	+7.7 percentage points	100%
<b>Subway Ridership</b> (4 wk avg, 10/17)	63.6%	64.1%	+8.0 percentage points	100%
<b>Bus Ridership</b> (4 wk avg, 10/17)	62.9%	64.3%	unchanged	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, 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

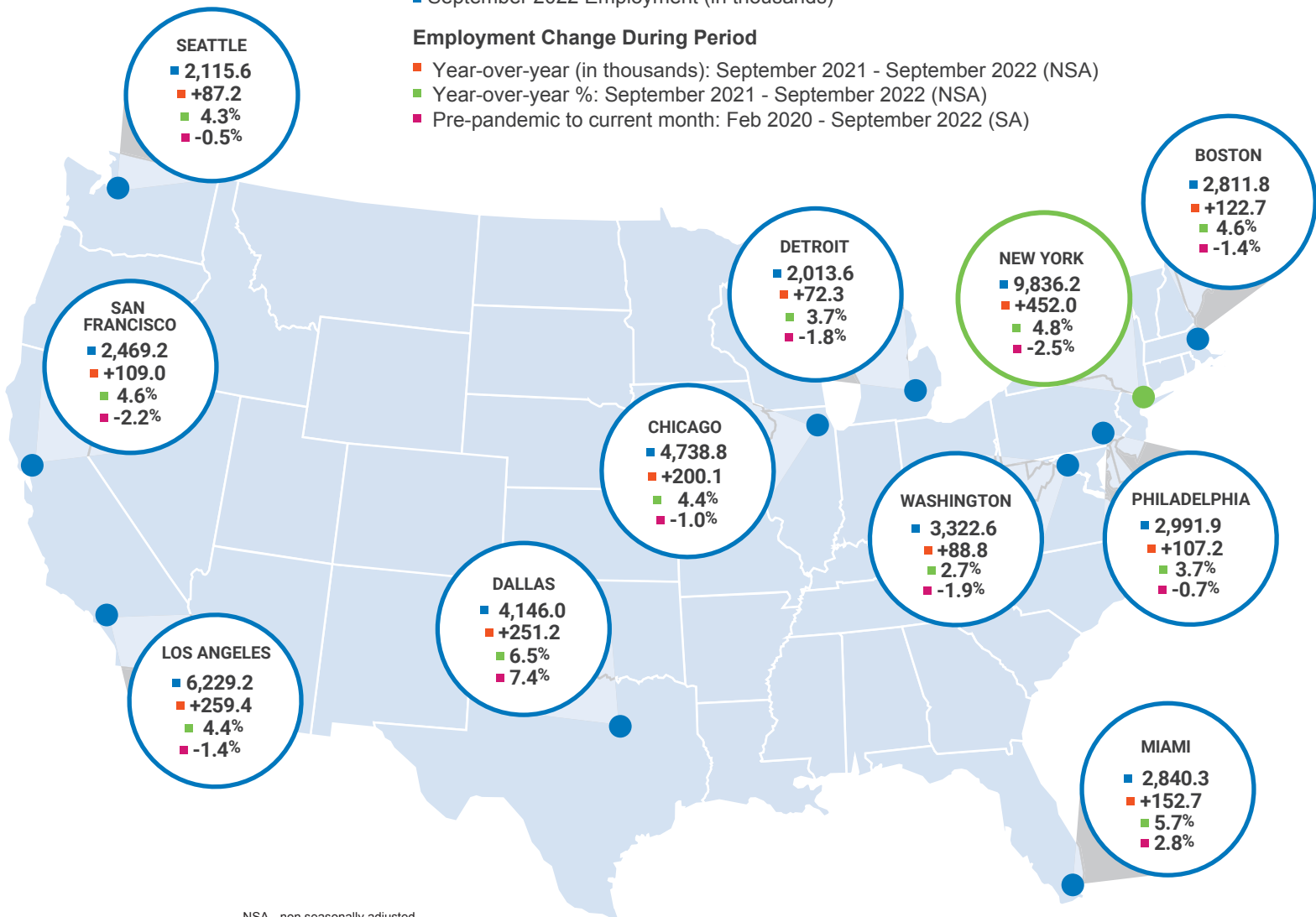
## Compared to Other Major Metro Areas

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 metro areas rather than cities to provide a more consistent basis for regional economic comparison.

■ September 2022 Employment (in thousands)

### Employment Change During Period

- Year-over-year (in thousands): September 2021 - September 2022 (NSA)
- Year-over-year %: September 2021 - September 2022 (NSA)
- Pre-pandemic to current month: Feb 2020 - September 2022 (SA)



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).

Contact us: [press@edc.nyc](mailto:press@edc.nyc) | Follow us: [@nycedc](https://twitter.com/nycedc)