

BROWN HARRIS STEVENS Economics

The Heym Report

July 2017

Prepared by Gregory Heym, Chief Economist, Brown Harris Stevens

Hiring Accelerates in NYC

- Employment in New York City was 2.3% higher in June than the year before, with 101,100 jobs added.
- Education and health services (+44,000) and professional and business services (+31,700) saw the biggest employment growth from June 2016.
- Trade, transportation, and utilities lost 9,300 jobs over the past year, as the retail sector continues to struggle.

NYC Employment (thousands)

Source: NYS Dept of Labor

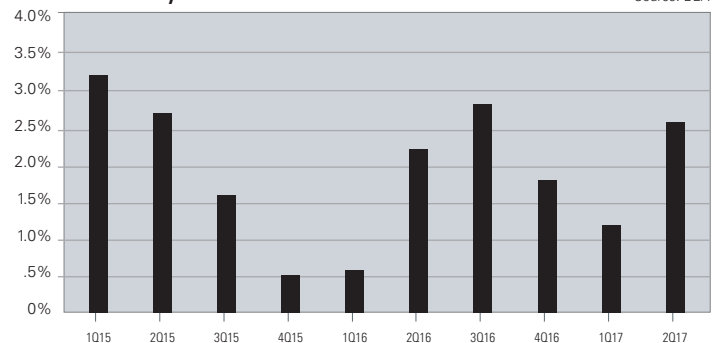
INDUSTRY	JUN-17	JUN-16	NET CHANGE	PERCENT CHANGE
Education and Health Services	958.1	914.1	44.0	4.8%
Professional and Business Services	756.1	724.4	31.7	4.4%
Leisure and Hospitality	467.3	447.3	20.0	4.5%
Construction	153.1	147.4	5.7	3.9%
Financial Activities	476.4	471.0	5.4	1.1%
Other Services	193.6	188.3	5.3	2.8%
Local Government	454.6	453.6	1.0	0.2%
State Government	43.8	43.6	0.2	0.5%
Federal Government	50.0	49.9	0.1	0.2%
Information	192.2	192.2	0.0	0.0%
Manufacturing	73.8	76.8	-3.0	-3.9%
Trade, Transportation, and Utilities	620.8	630.1	-9.3	-1.5%
Total	4,439.8	4,338.7	101.1	2.3%

Economic Growth Picks Up

- The U.S. economy grew at a 2.6% annual pace in the second quarter, up from 1.2% the prior quarter.
- Consumer spending and business investment were the driving forces behind this increase.
- The current economic expansion is now in its ninth year.

Quarterly Economic Growth

Source: BEA

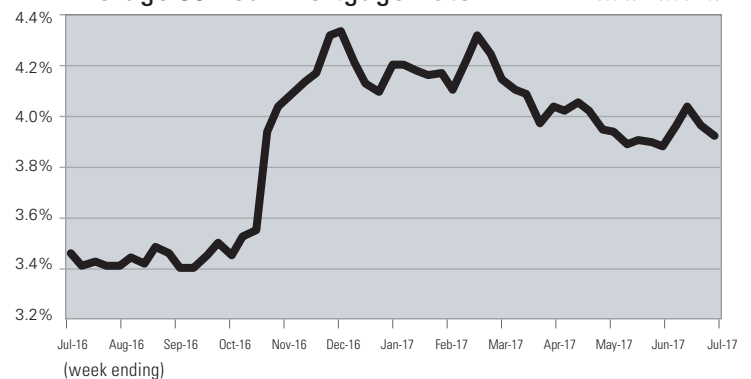


Mortgage Rates Dip

- Rates for 30-year conforming mortgages fell to 3.92% for the week ending July 27th.
- One year ago, 30-year rates were averaging 3.48%.
- Despite the Federal Reserve's efforts to push rates higher, mortgages have stayed affordable as inflation remains in check.

Average 30-Year Mortgage Rate

Source: Freddie Mac



About Our Research Division *Gregory Heym is widely recognized as an industry expert, and is a member of the New York City Economic Advisory Panel. Previously, he served as Vice President and Chief Economist for The Real Estate Board of New York. He received his B.S. in Economics from Saint John's University, and his M.B.A. in Finance from Hofstra University. Visit terraeconomics.com for the latest economic headlines.*

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