

# BROWN HARRIS STEVENS Economics

## The Heym Report

October 2017

Prepared by Gregory Heym, Chief Economist, Brown Harris Stevens

### Employment Growth Slows in NYC

- Over the past 12 months, 48,900 jobs were created in NYC, a 1.1% increase.
- Education and health services (+22,500) and professional and business services (+18,100) were the leading sectors for job growth.
- Trade, transportation, and utilities shed 8,700 jobs over the past year, as the city's retail sector continues to contract.

### NYC Employment (thousands)

Source: NYS Dept of Labor

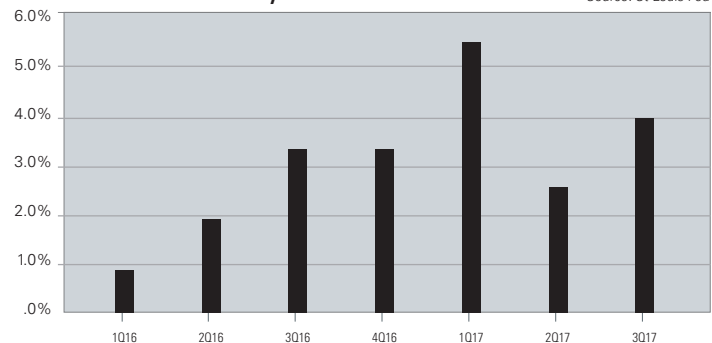
INDUSTRY	SEP-17	SEP-16	NET CHANGE	PERCENT CHANGE
Education and Health Services	944.6	922.1	22.5	2.4%
Professional and Business Services	745.6	727.5	18.1	2.5%
Leisure and Hospitality	451.1	443.8	7.3	1.6%
Construction	156.9	149.9	7.0	4.7%
Financial Activities	470.3	464.2	6.1	1.3%
Other Services	190.7	187.8	2.9	1.5%
Local Government	453.8	452.4	1.4	0.3%
State Government	43.8	43.6	0.2	0.5%
Manufacturing	75.1	75.7	-0.6	-0.8%
Federal Government	49.4	50.2	-0.8	-1.6%
Information	190.2	196.7	-6.5	-3.3%
Trade, Transportation, and Utilities	619.7	628.4	-8.7	-1.4%
<b>Total</b>	<b>4,391.2</b>	<b>4,342.3</b>	<b>48.9</b>	<b>1.1%</b>

### Stock Prices Reach New Highs

- The S&P 500 index rose 4% in the third quarter to a record 2,519.36.
- This marked the index's eighth consecutive quarterly increase.
- Improving economic growth and the expectation of tax reform are the driving forces behind this optimism.

### S&P 500 Quartely Return

Source: St Louis Fed



### Mortgage Rates Rise

- Average 30-year mortgage rates rose to 3.94% in the week ending October 26th, their highest level since July.
- One year ago, 30-year rates were averaging 3.47%.
- Increasing optimism for tax reform, combined with speculation about the next chair of the Federal Reserve were behind this increase.

### 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](http://terraeconomics.com) for the latest economic headlines.*

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