

The Heym Report

December 2014

Prepared by Gregory Heym, Chief Economist, Brown Harris Stevens

Health Care Fuels NYC Job Growth

- Employment in NYC rose by 79,400 over the past 12 months, a 2.0% gain.
- The education and health services sector led the way, adding 26,500 jobs, 24,000 of which were in health care.
- Professional and business services (+21,400); trade, transportation and utilities (+13,600) and leisure and hospitality (+13,500) also posted strong employment gains over the past year.

Local Inflation Below National Rate

- Prices in the New York-Northern New Jersey-Long Island area rose 0.8% in the 12 months ending November, compared to a 1.3% gain across the US.
- Falling energy prices helped offset increases in food and housing prices over the past year.
- This marked the ninth straight month that local inflation was lower than the nation's.

30-Year Rates Hit Lowest Level of 2014

- The average rate for a 30-year conforming mortgage fell to 3.80% last week, its lowest level of the year.
- Rates have not been this low since May 2013.
- A year ago, 30-year rates were averaging 4.47%.

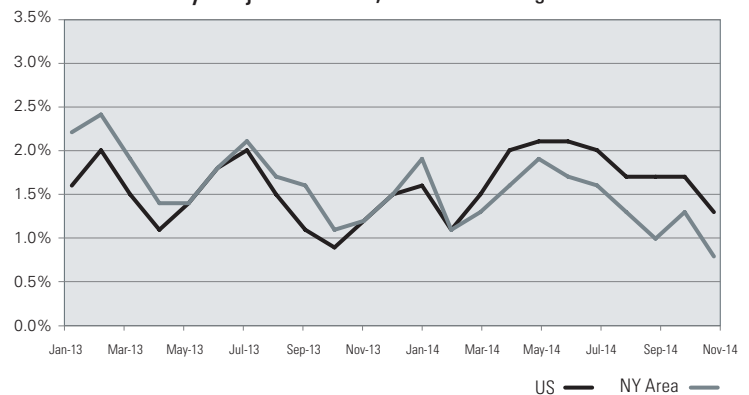
NYC Employment (thousands)

Source: NYS Dept of Labor

INDUSTRY	NOV-14	NOV-13	NET CHANGE	PERCENT CHANGE
Education and Health Services	860.1	833.6	26.5	3.2%
Professional and Business Services	673.9	652.5	21.4	3.3%
Trade, Transportation, and Utilities	639.1	625.5	13.6	2.2%
Leisure and Hospitality	403.1	389.6	13.5	3.5%
Other Services	180.5	175.0	5.5	3.1%
Financial Activities	442.9	439.0	3.9	0.9%
Federal Government	49.9	49.4	0.5	1.0%
Construction	123.2	123.4	-0.2	-0.2%
Manufacturing	76.4	77.2	-0.8	-1.0%
State Government	43.4	44.5	-1.1	-2.5%
Local Government	451.2	452.3	-1.1	-0.2%
Information	180.9	183.2	-2.3	-1.3%
Total	4,124.6	4,045.2	79.4	2.0%

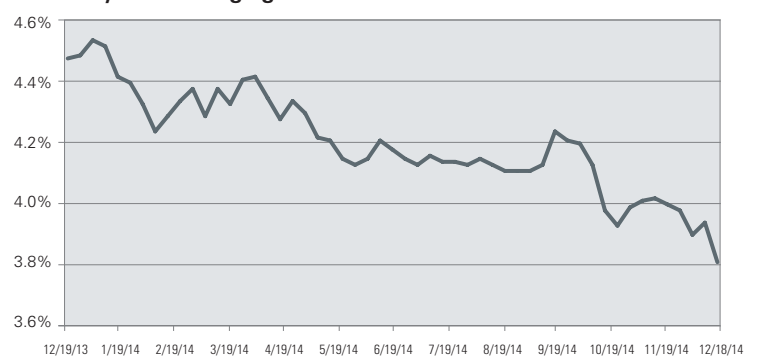
Seasonally Adjusted CPI, 12-month Change

Source: BLS



30-year Mortgage Rates

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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