

# BROWN HARRIS STEVENS Economics

## The Heym Report

October 2016

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### NYC Adds 89,100 Jobs in Past Year

- Employment rose 2.1% in the 12 months ending September, with 89,100 jobs created.
- Education and health services (+26,500) and leisure and hospitality (+24,900) were responsible for a majority of this increase.
- Financial activities was the only sector to lose jobs over the past year, shedding 1,100 workers.

### US Economy Grows at its Fastest Pace in Two Years

- The US economy grew at a 2.9% annual rate in the third quarter, its highest growth rate since 2014's third quarter.
- Most economists had expected GDP to grow at a slightly lower pace.
- Consumer spending fell slightly but remained at a healthy level, while exports and inventories rose sharply.

### Mortgage Rates Remain Near Record Lows

- Rates for 30-year conforming mortgages averaged 3.47% for the week ending October 27th, down slightly from the prior week.
- One year ago, 30-year rates were averaging 3.76%.
- The better-than-expected third quarter GDP report has increased the chance of a Federal Reserve rate hike in December.

**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.*

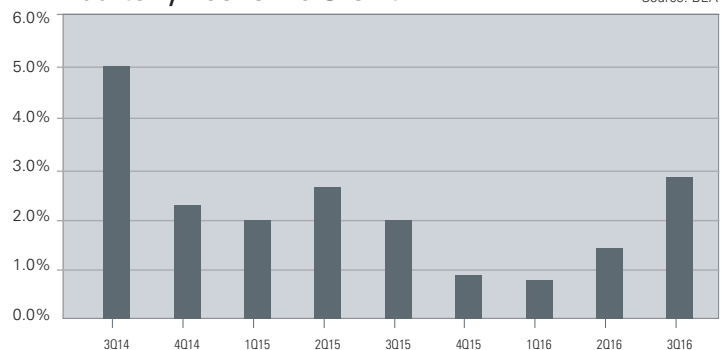
### NYC Employment (thousands)

Source: NYS Dept of Labor

INDUSTRY	SEP-16	SEP-15	NET CHANGE	PERCENT CHANGE
Education and Health Services	884.8	858.3	26.5	3.1%
Leisure and Hospitality	454.9	430.0	24.9	5.8%
Professional and Business Services	713.8	701.8	12.0	1.7%
Other Services	191.4	184.5	6.9	3.7%
Trade, Transportation, and Utilities	634.0	628.8	5.2	0.8%
Information	195.1	190.7	4.4	2.3%
Construction	146.6	142.8	3.8	2.7%
Local Government	456.1	452.4	3.7	0.8%
Federal Government	50.3	48.8	1.5	3.1%
Manufacturing	79.7	78.5	1.2	1.5%
State Government	43.5	43.4	0.1	0.2%
Financial Activities	460.3	461.4	-1.1	-0.2%
<b>Total</b>	<b>4,310.5</b>	<b>4,221.4</b>	<b>89.1</b>	<b>2.1%</b>

### Quarterly Economic Growth

Source: BEA



### Average 30-Year Mortgage Rate

Source: Freddie Mac



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