



FEDERAL RESERVE BANK *of* NEW YORK

Economic Conditions in the Nation and Region

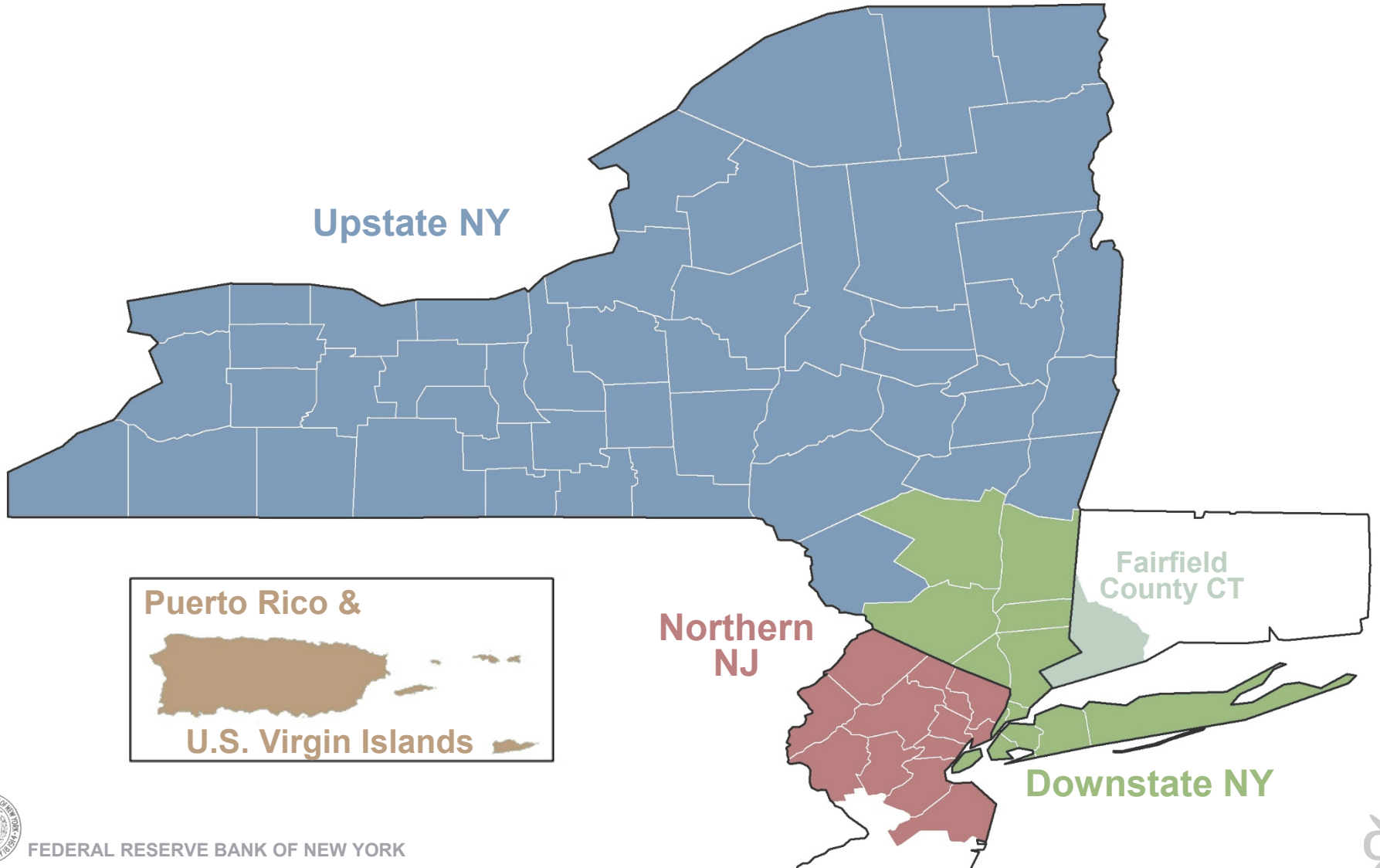
Jaison R. Abel

Cayuga Economic Development Agency Annual Economic Forum
Auburn, NY; January 16, 2020

The views expressed here are those of the presenter and do not necessarily represent those of the Federal Reserve Bank of New York or the Federal Reserve System.

The 2nd Federal Reserve District

Regions in the District



Overview of Regional Conditions

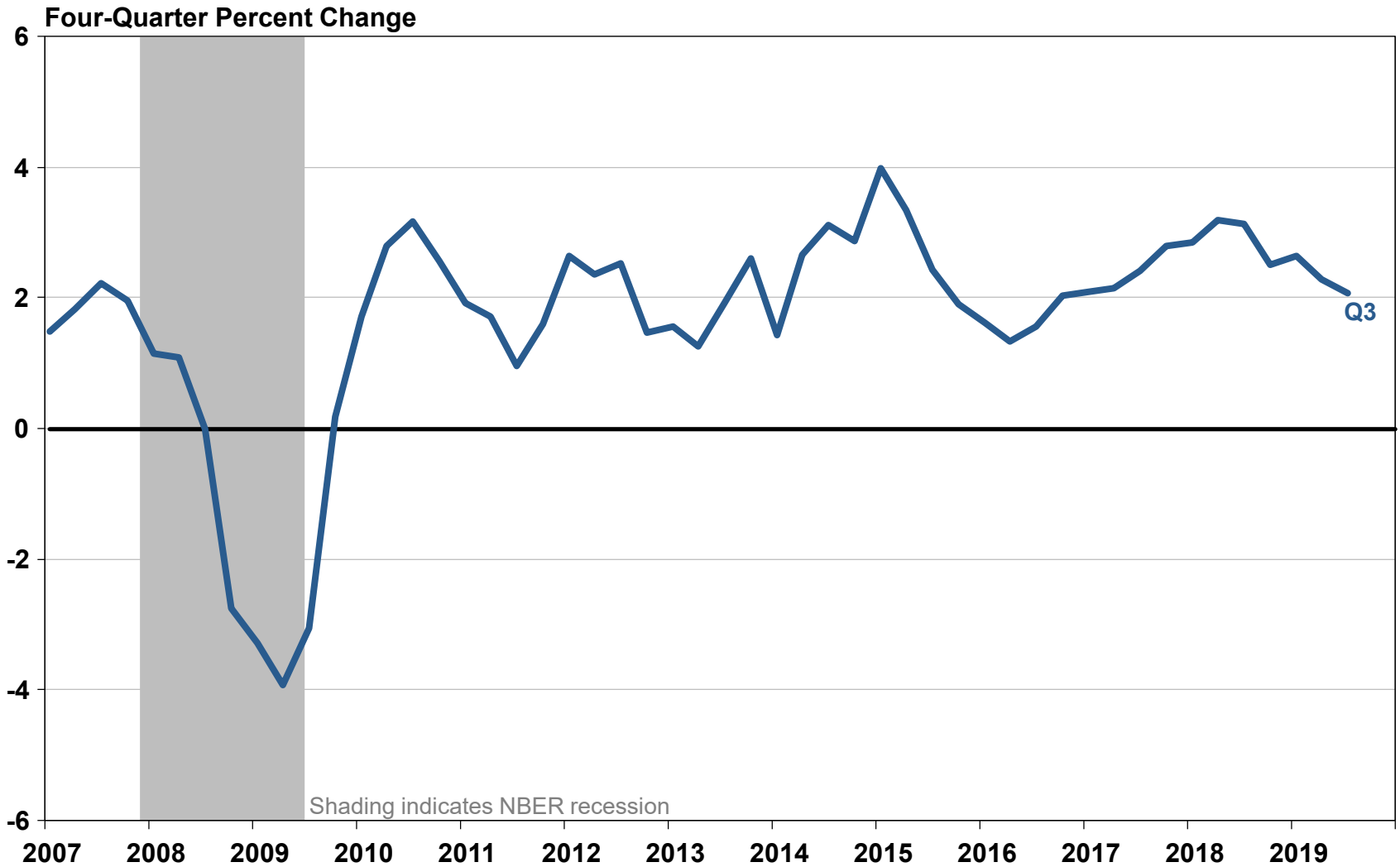
- Growth in regional economic activity slowed through most of last year and remains subdued heading into 2020.
- Job growth has also slowed in much of the region, though Central NY is bucking the trend:
 - Job growth has picked up in Syracuse.
 - Employment has continued to edge down in Cayuga County.
- Businesses in the region report that selling prices have continued to increase modestly.
- With low inventory, home prices have generally continued to appreciate throughout the region, though there has been some softening in the most expensive areas.



US Macro Overview

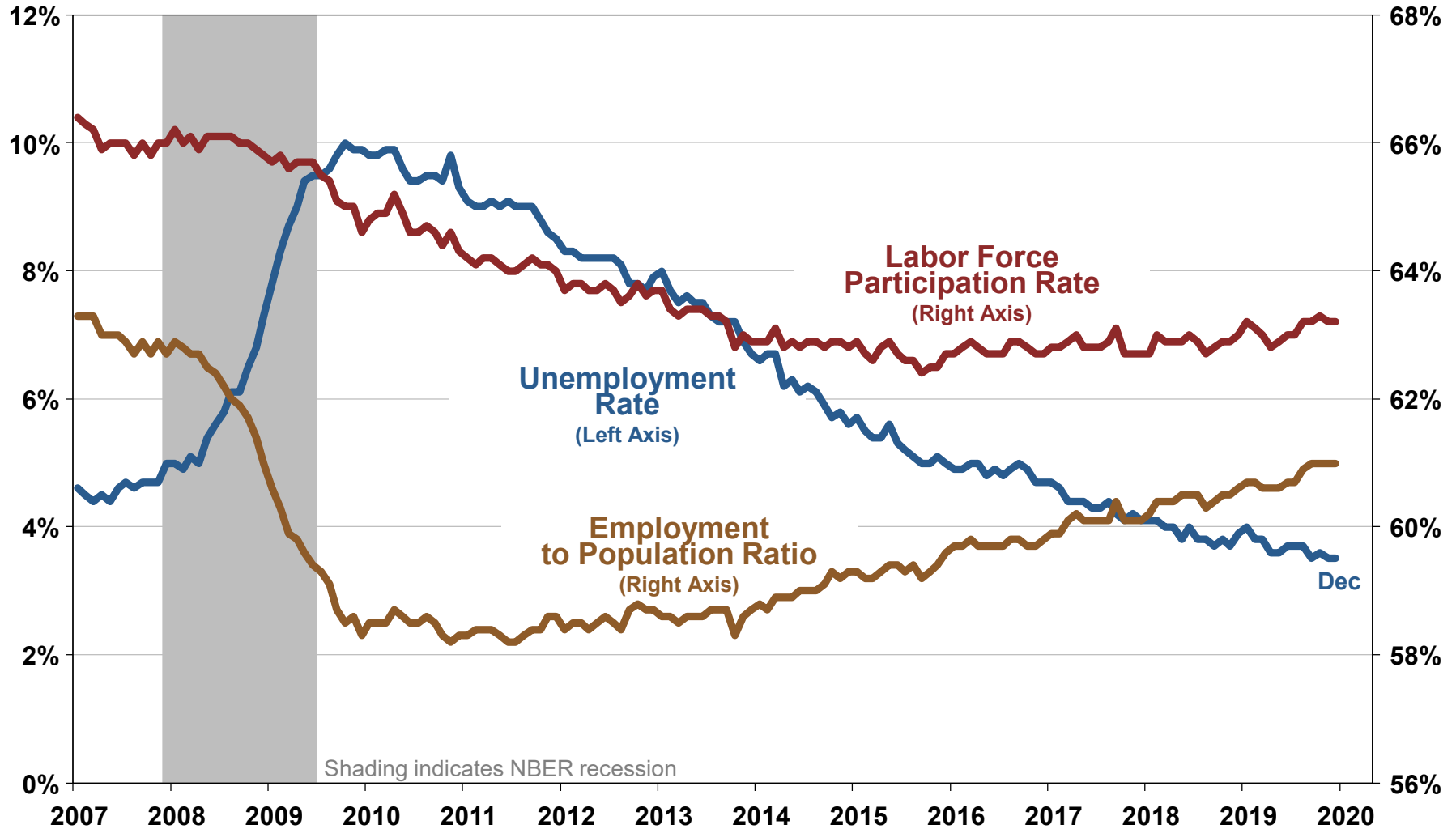
Economic Activity

Annual Percent Change in Real GDP



Labor Market Conditions

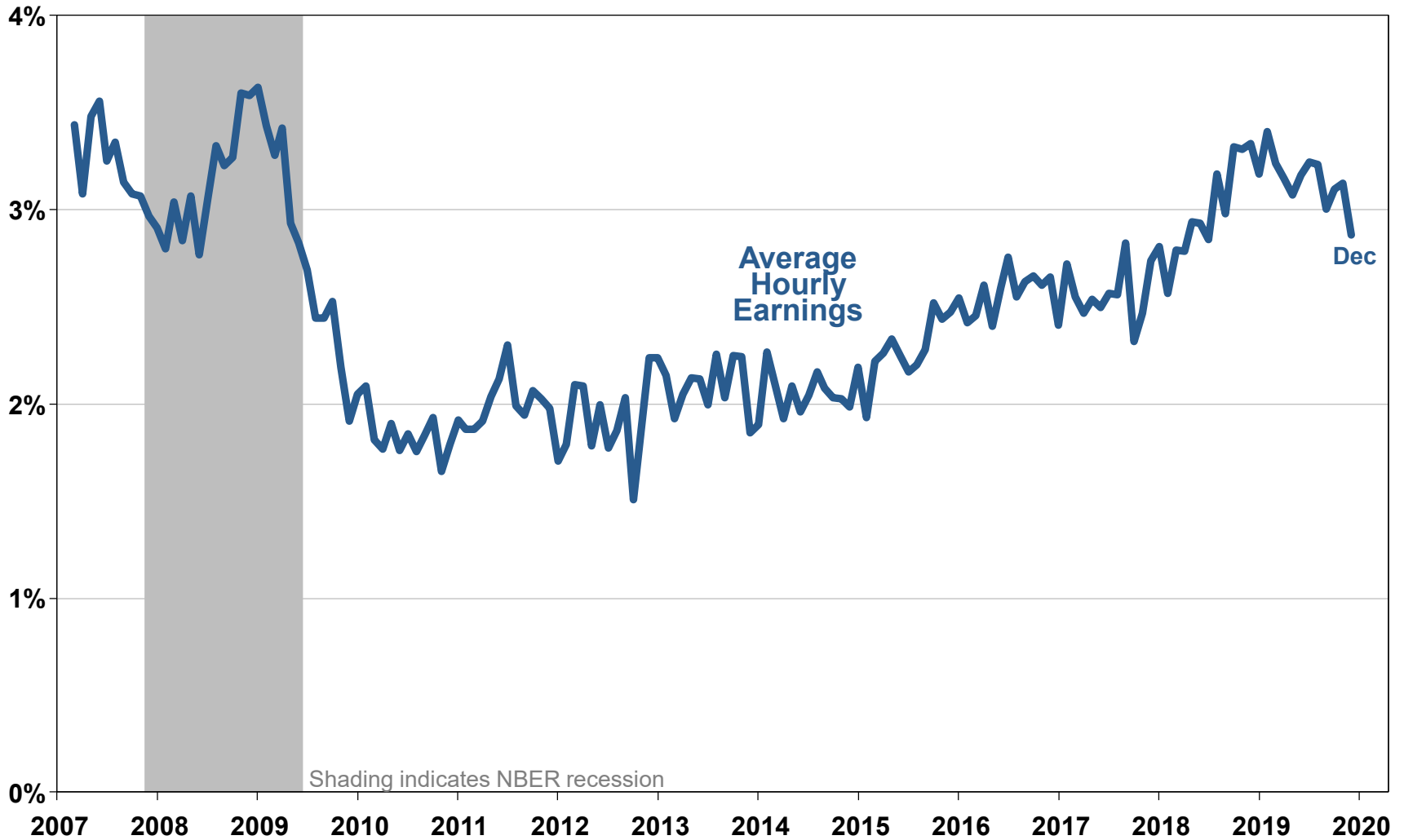
Unemployment, Participation, and Working Population



Shading indicates NBER recession

Wage Growth

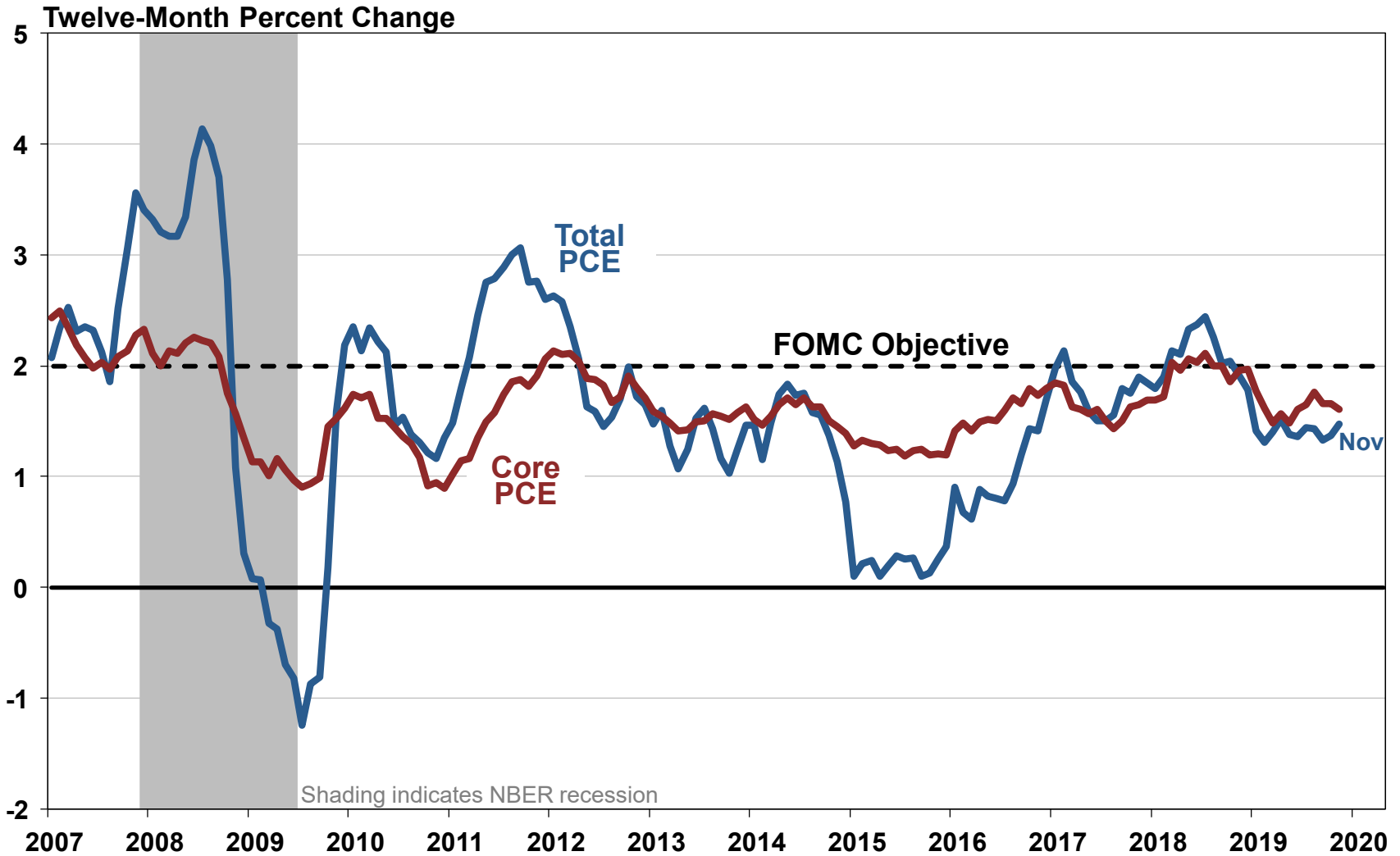
Annual Percent Change in Hourly Wages



Shading indicates NBER recession

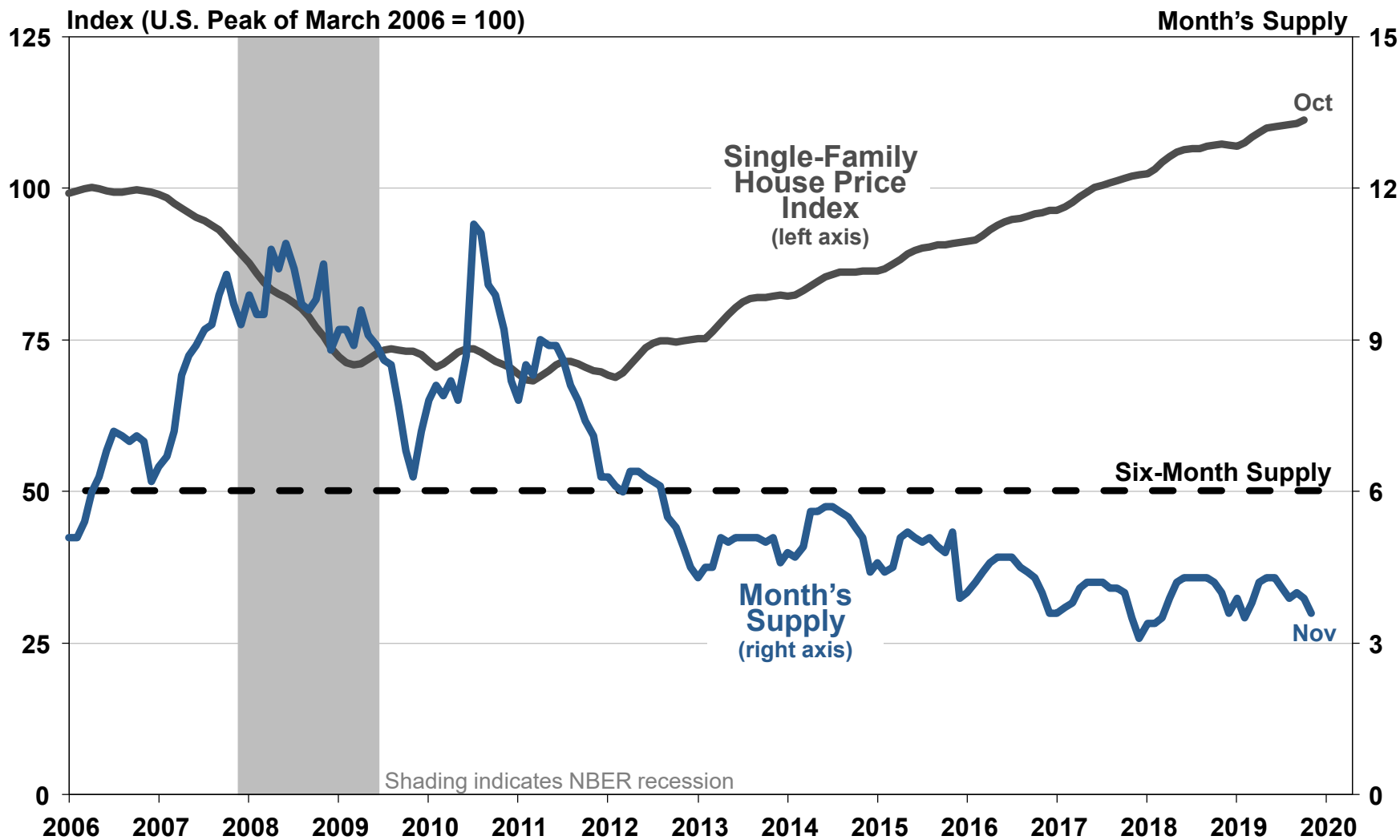
Inflation

Annual Percent Change in PCE Price Indexes



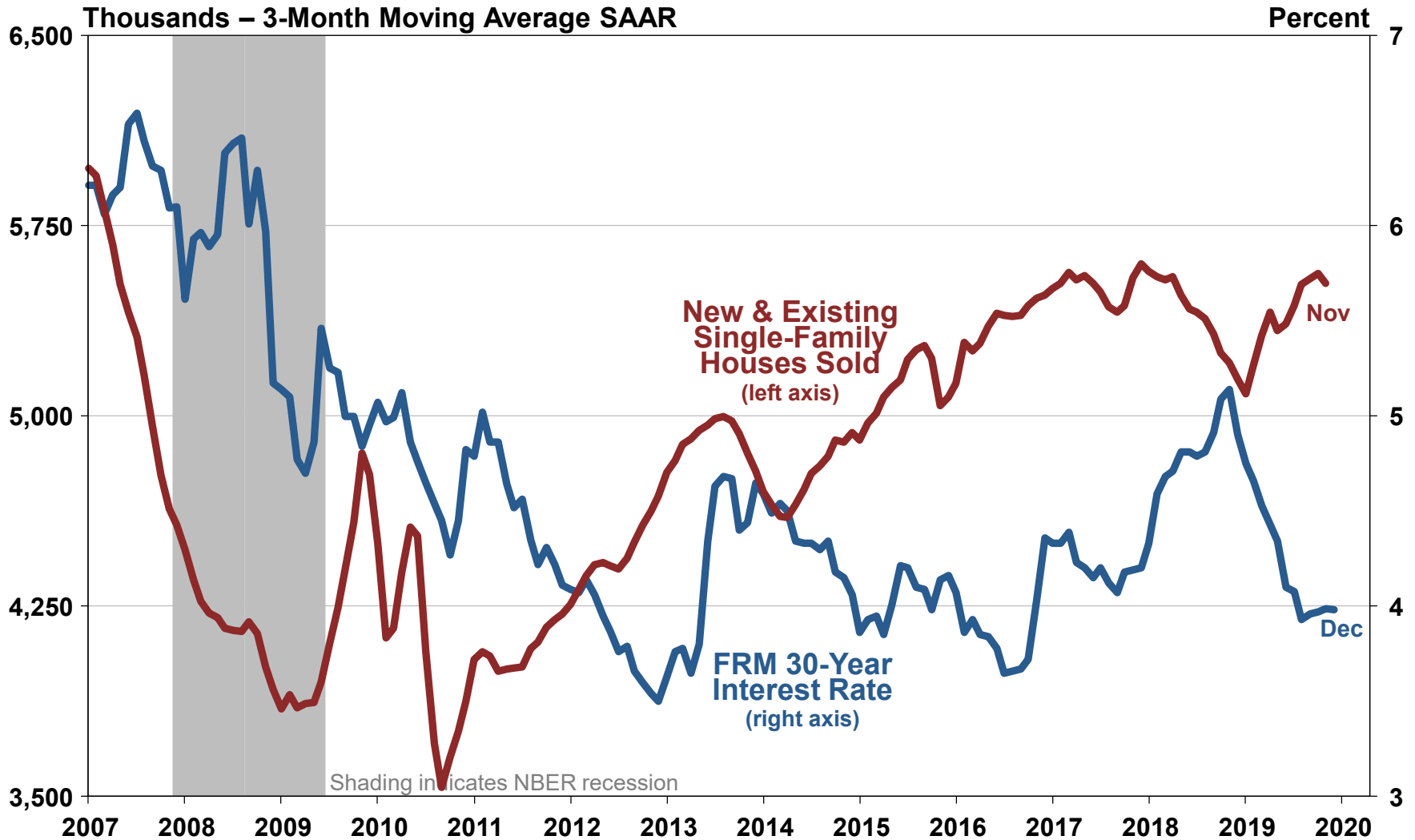
Housing Conditions

Home Price Trends and Inventory



Housing Conditions

Home Sales and Mortgage Rates

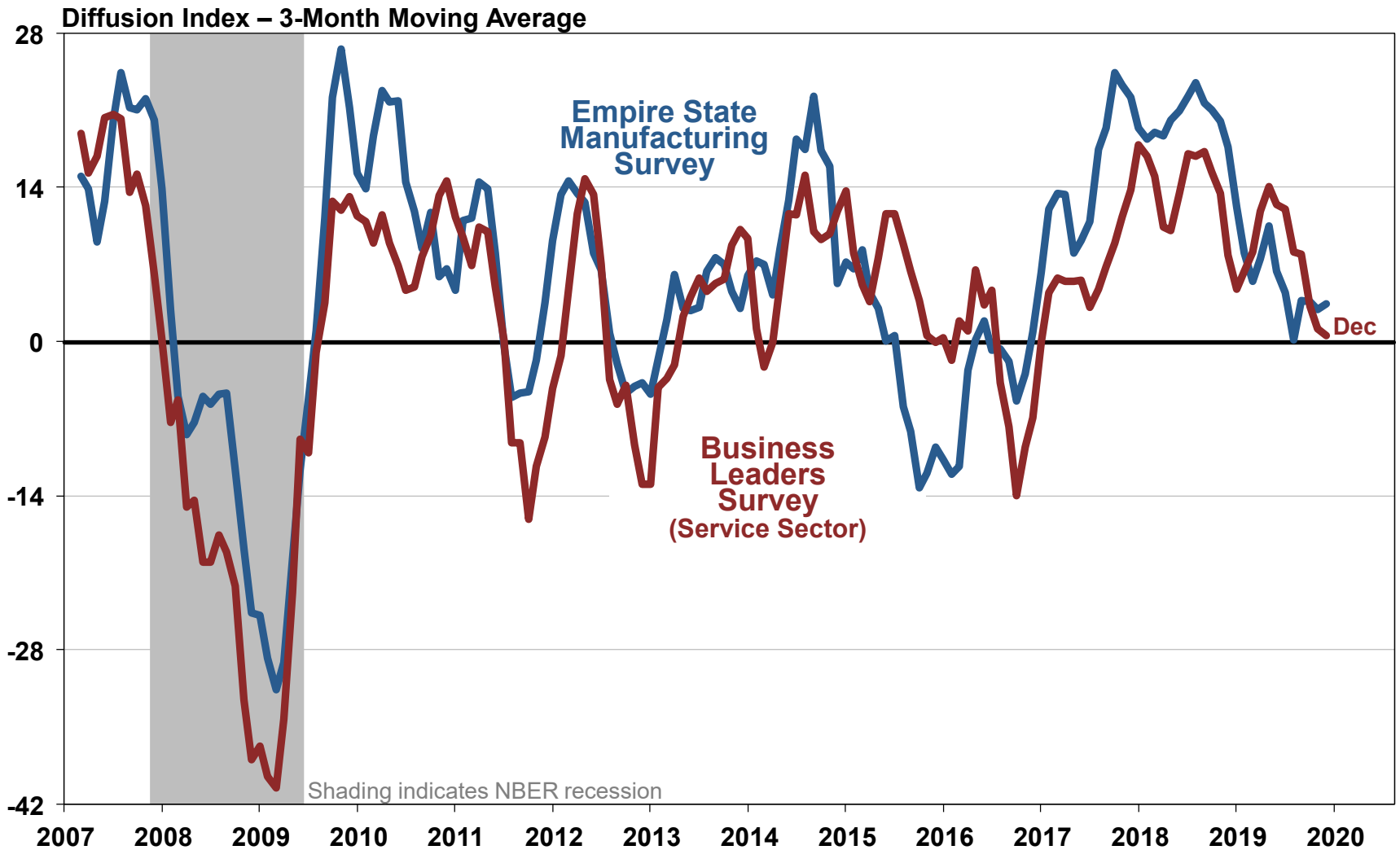


Shading indicates NBER recession

Regional Economic Conditions

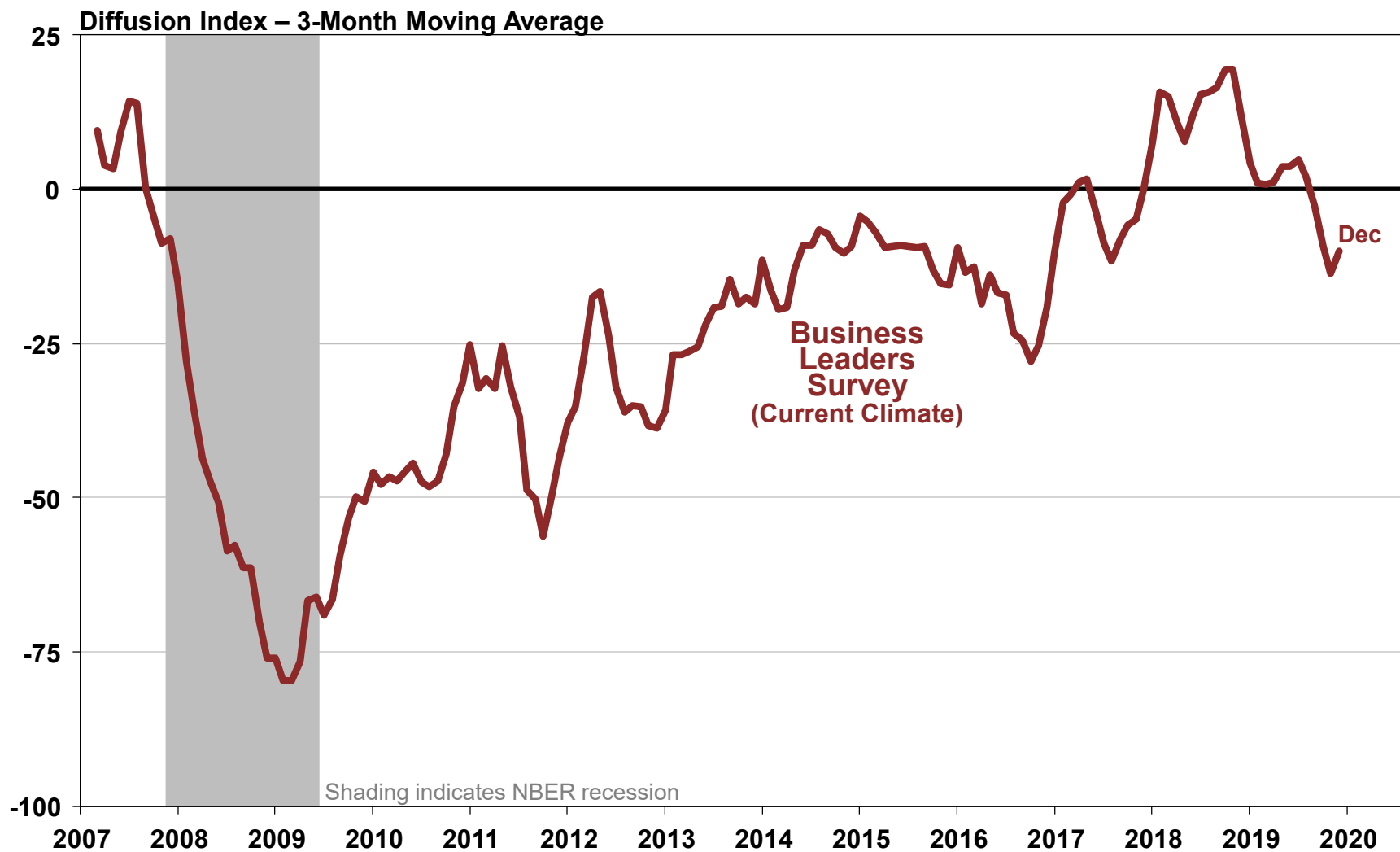
Current Economic Conditions

FRBNY Regional Business Surveys



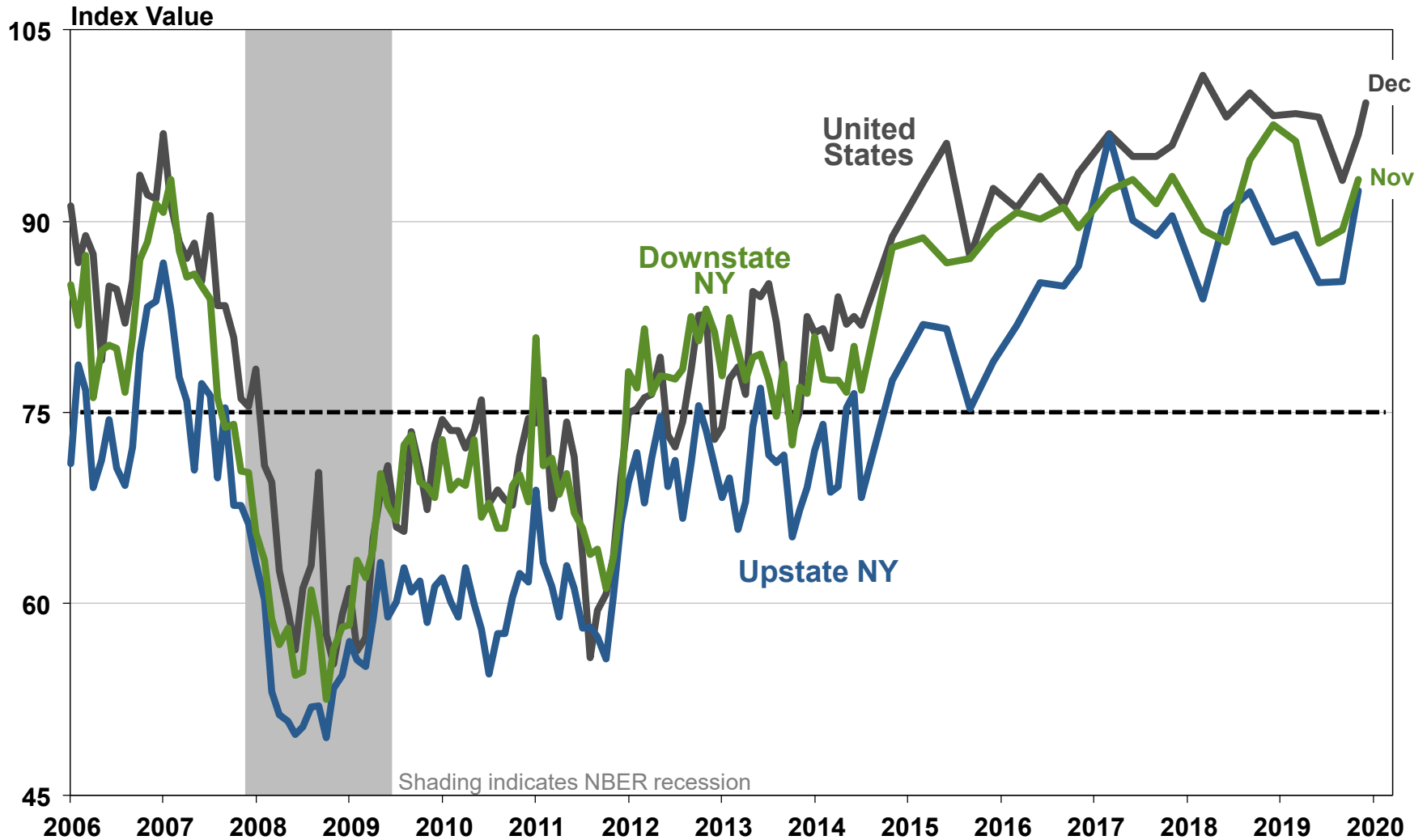
Current Business Climate

FRBNY Business Leaders Survey



Regional Consumer Confidence

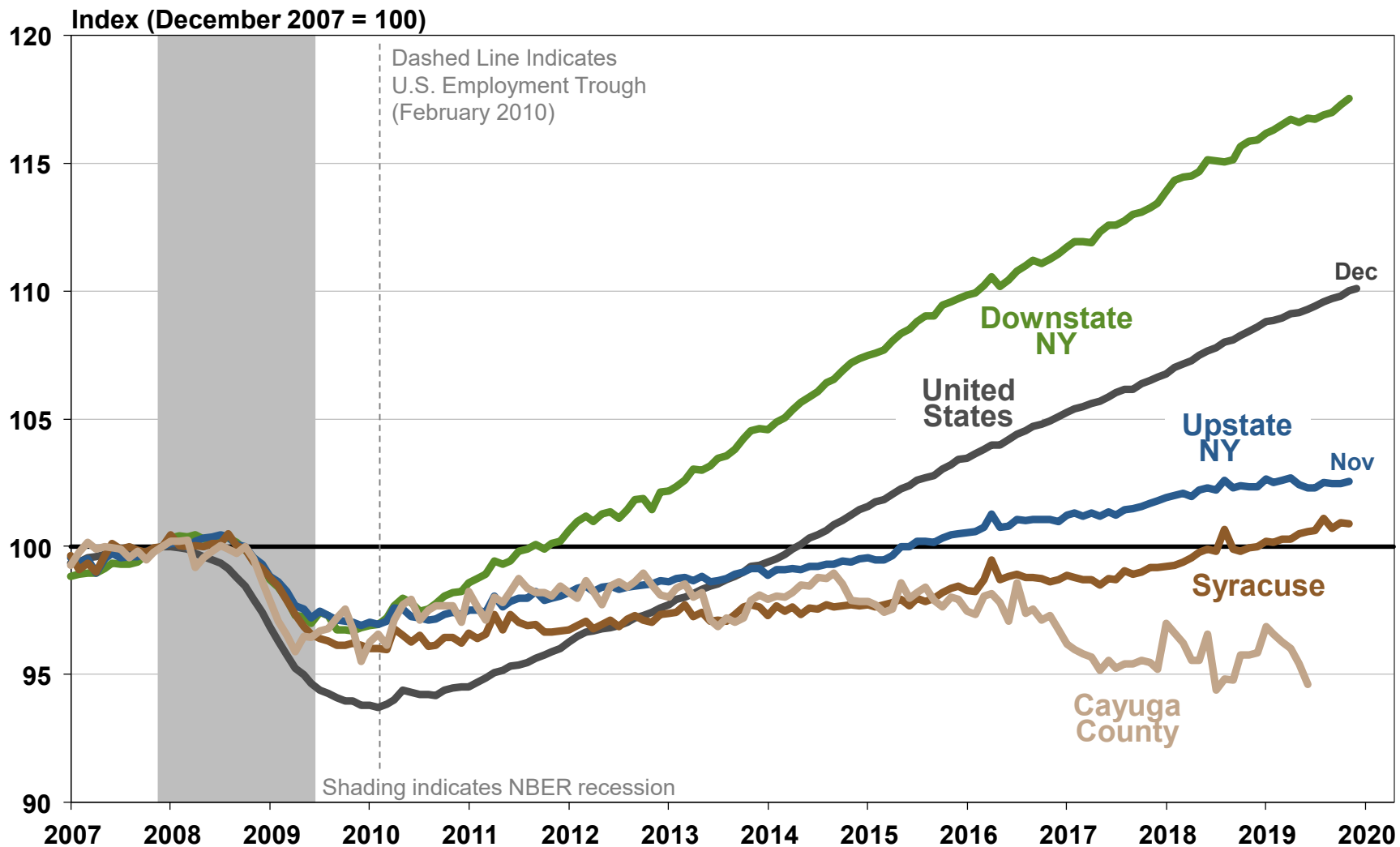
Overall Consumer Confidence



Shading indicates NBER recession

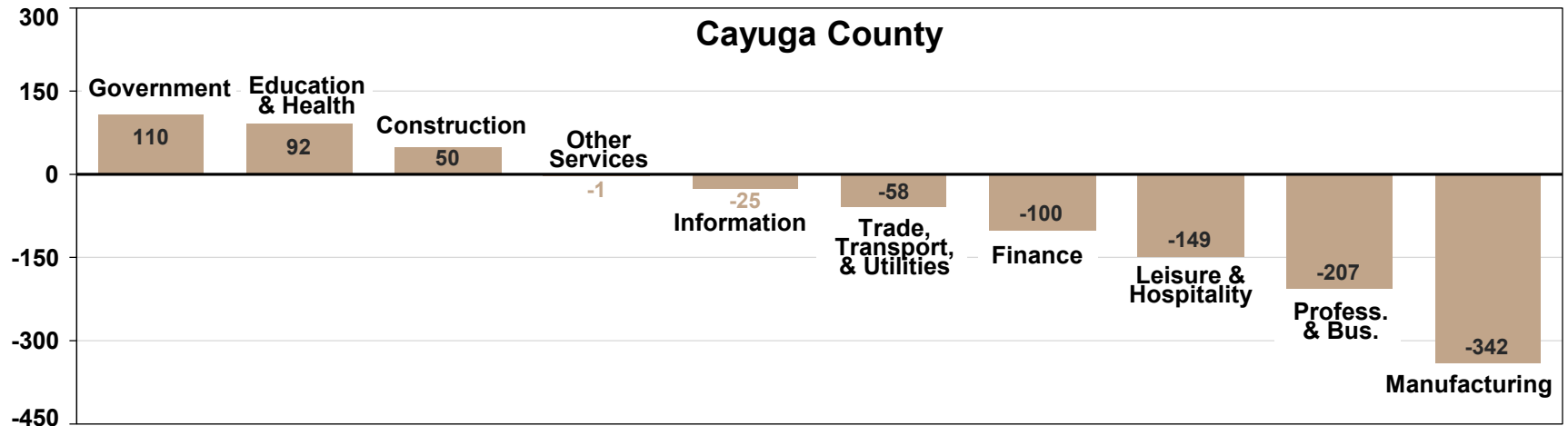
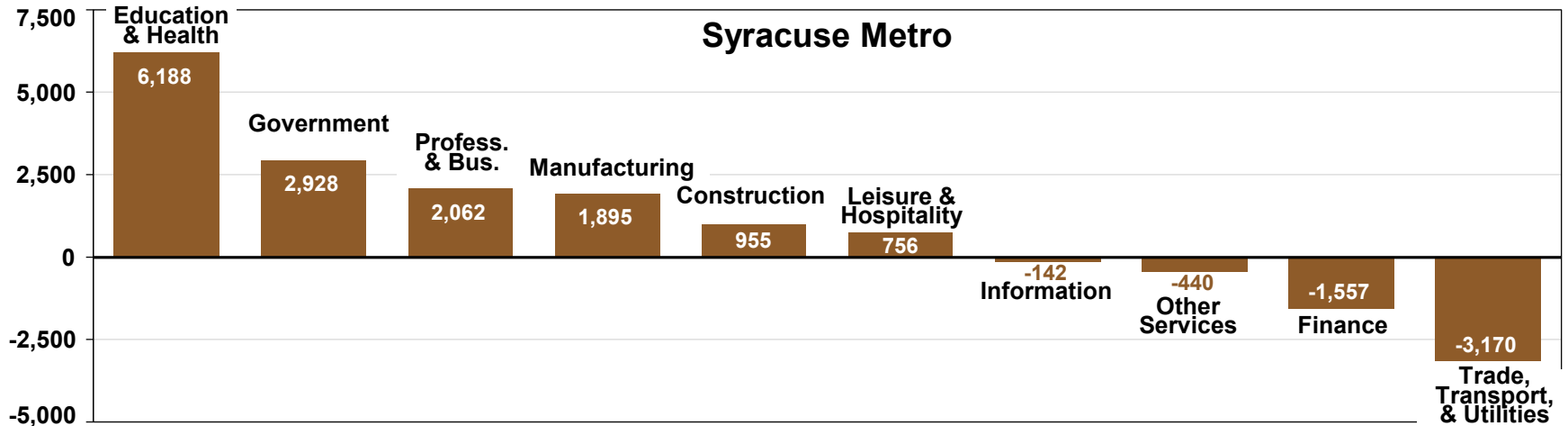
Regional Employment Trends

Indexes of Total Employment, Seasonally Adjusted



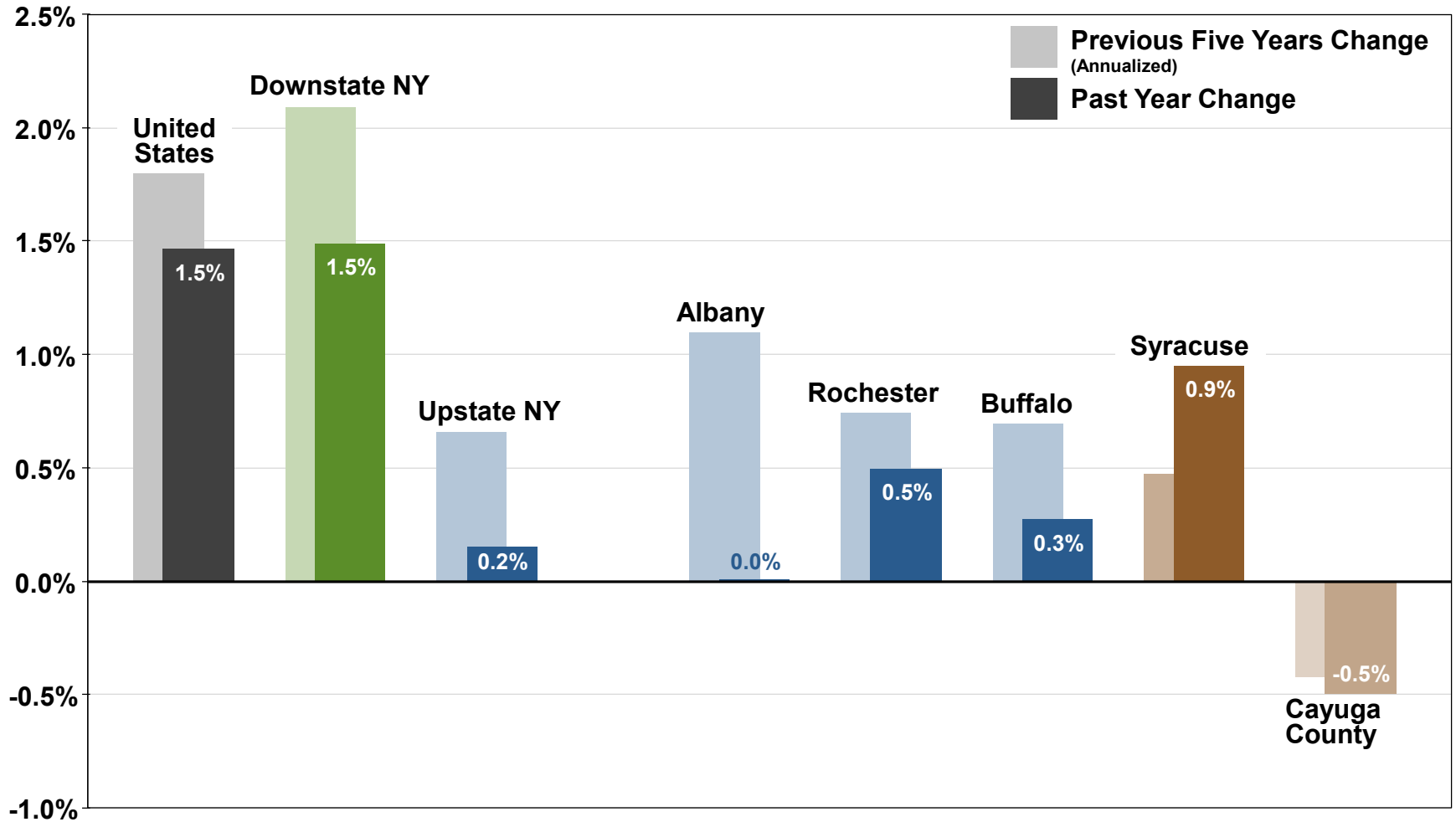
Sectors Driving Job Growth in Central NY

Five-Year Change, 2014 to 2019



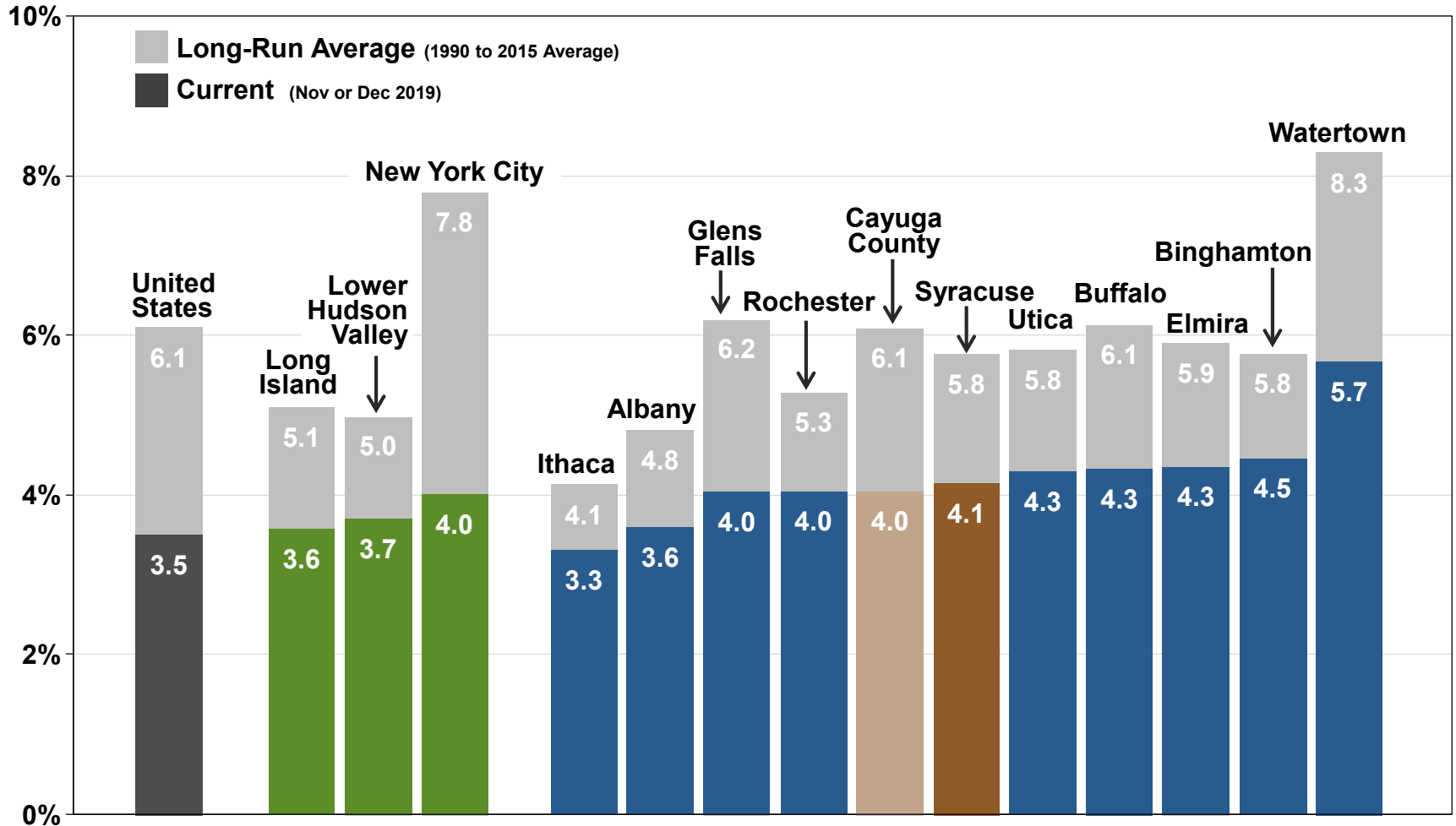
Job Growth Has Slowed in the Region

Annual Percent Change in Total Employment



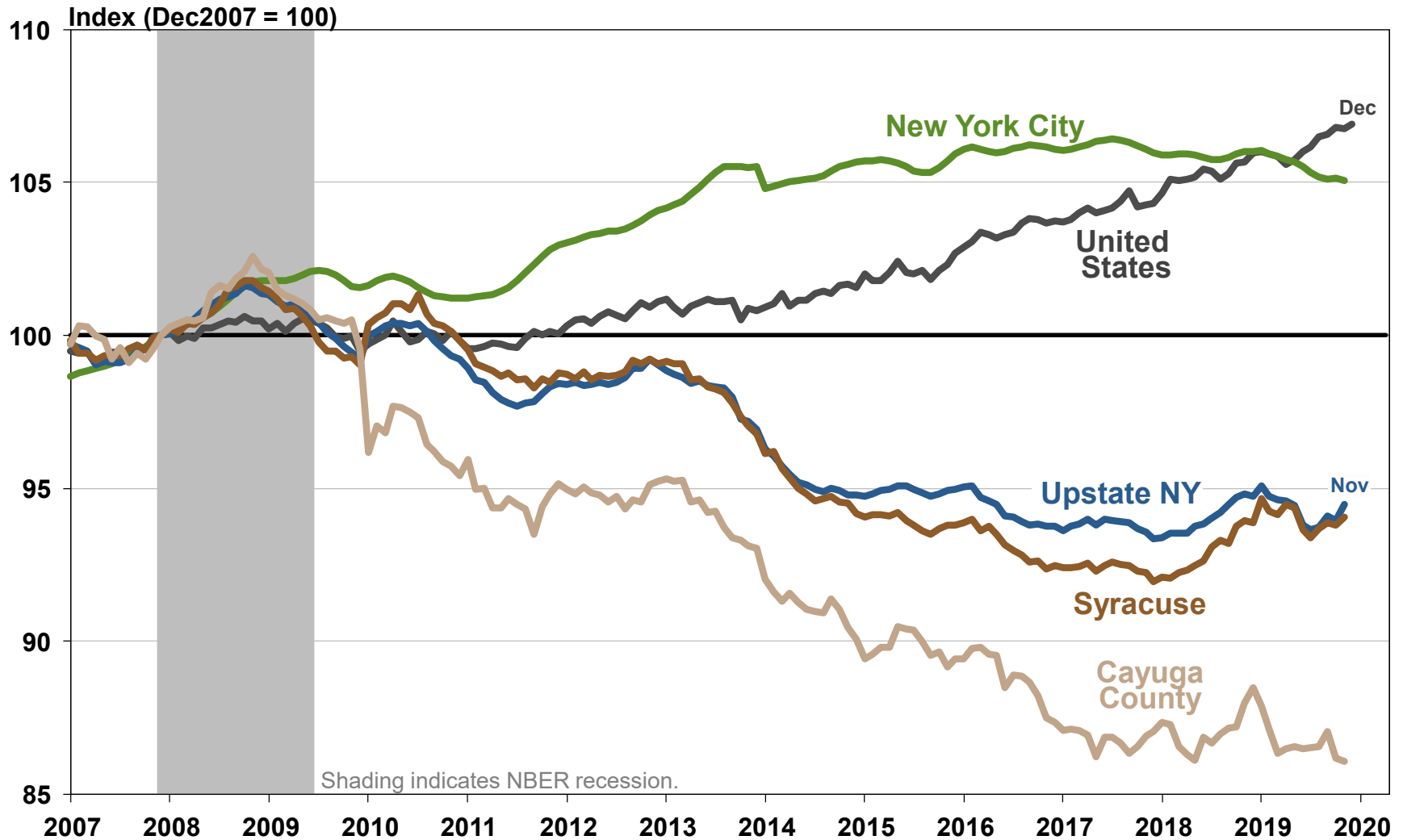
Difficult to Find Workers in the Region

Long-Run and Current Unemployment Rates, Seasonally Adjusted



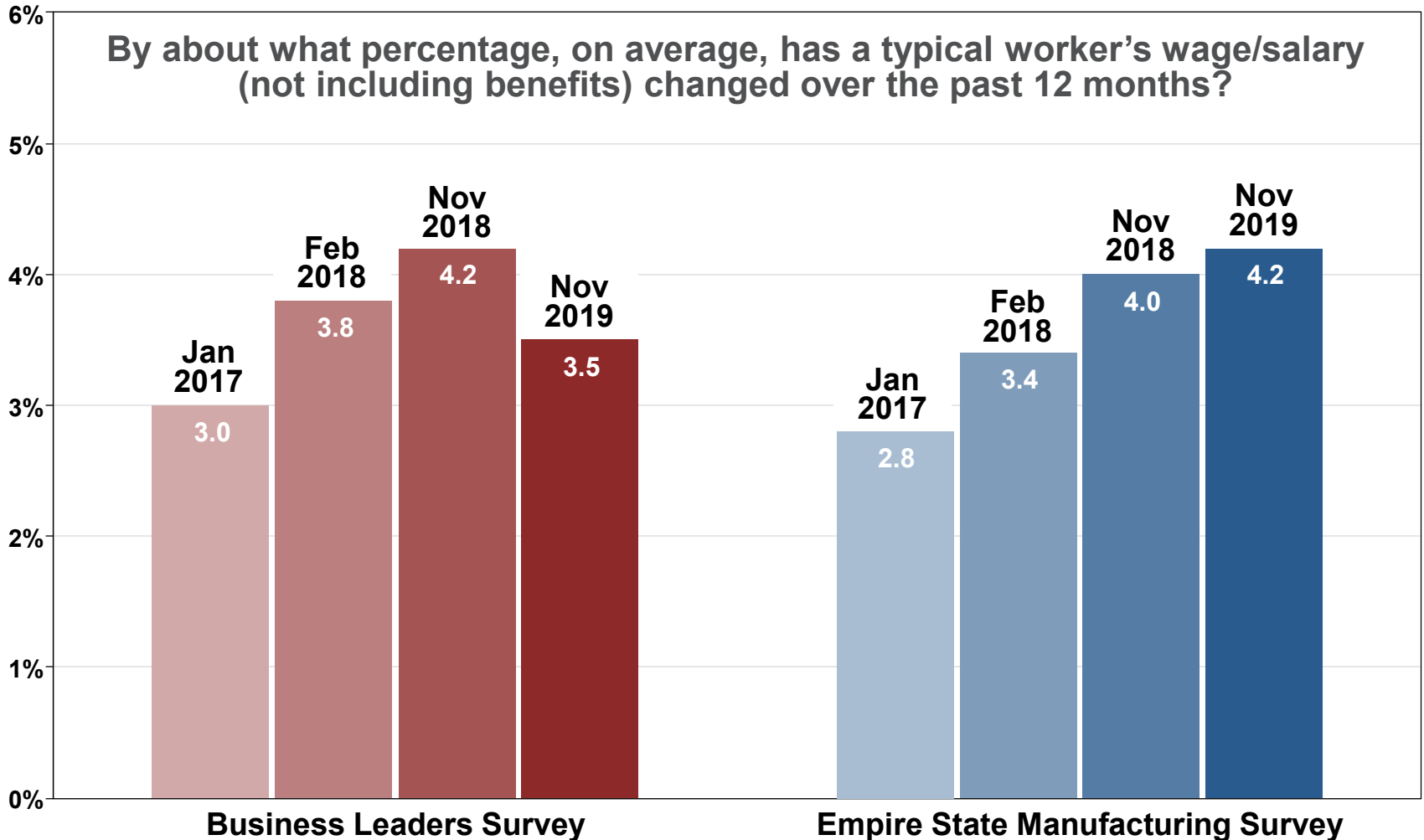
Regional Labor Force Trends

Indexes of Total Labor Force, Seasonally Adjusted



Wage Growth in the Region

FRBNY Supplemental Survey

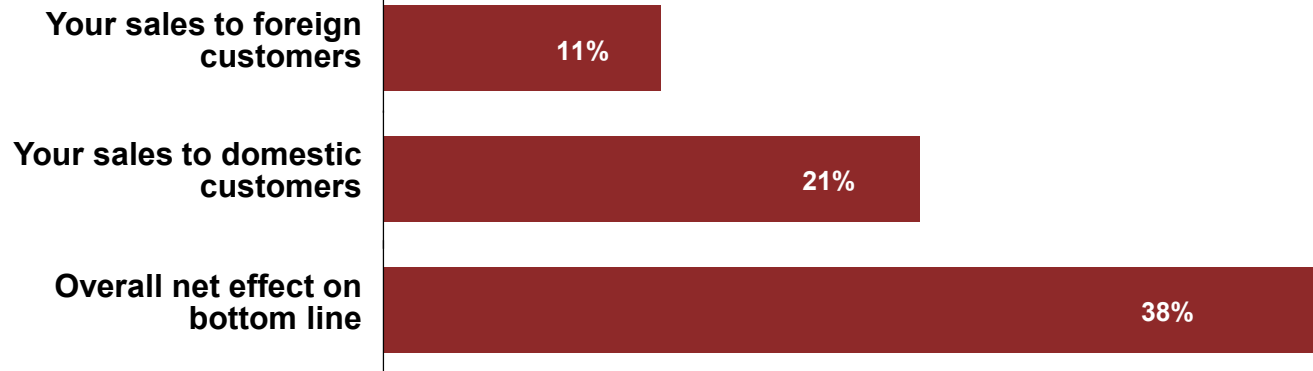


Trade Issues Affecting Local Business

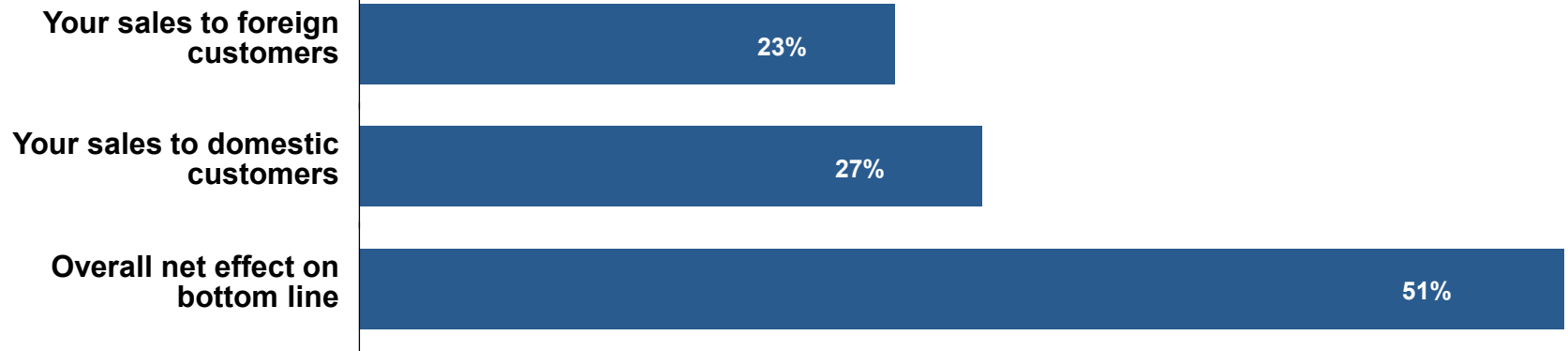
FRBNY Regional Business Surveys

Percentage of Respondents Reporting Adverse Effects from Trade Policy Changes on ...

Business Leaders Survey – Aug 2019

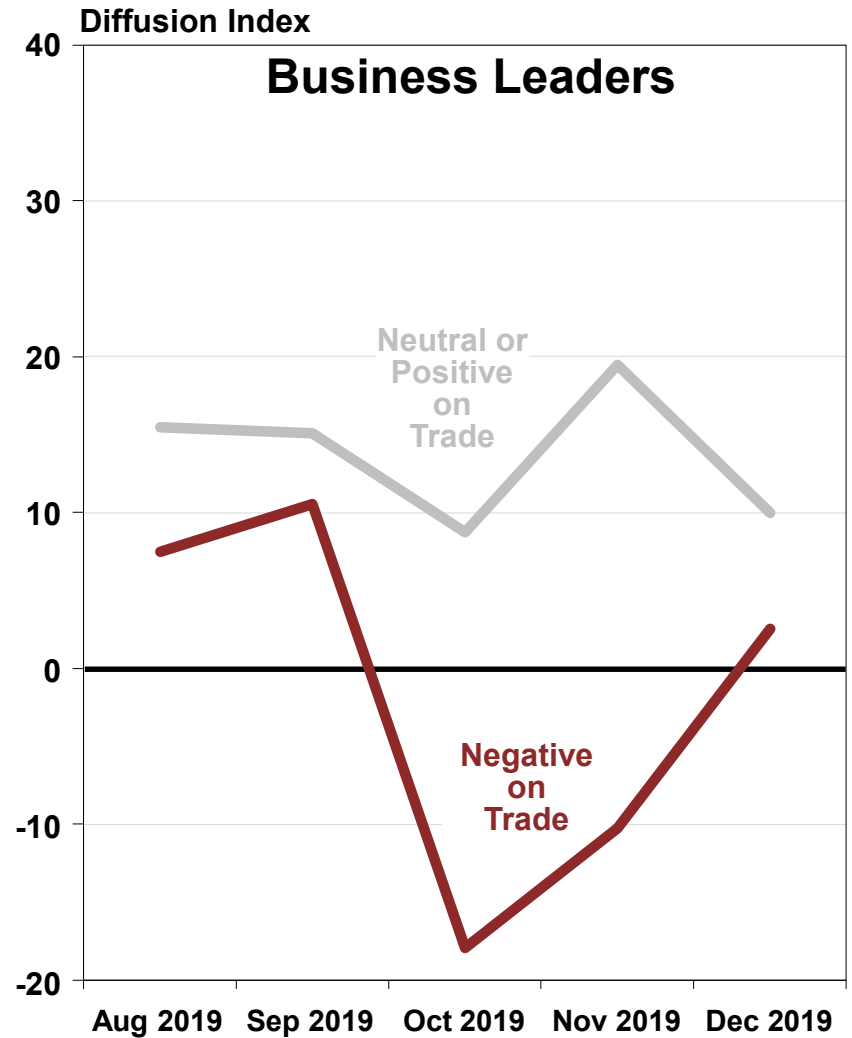
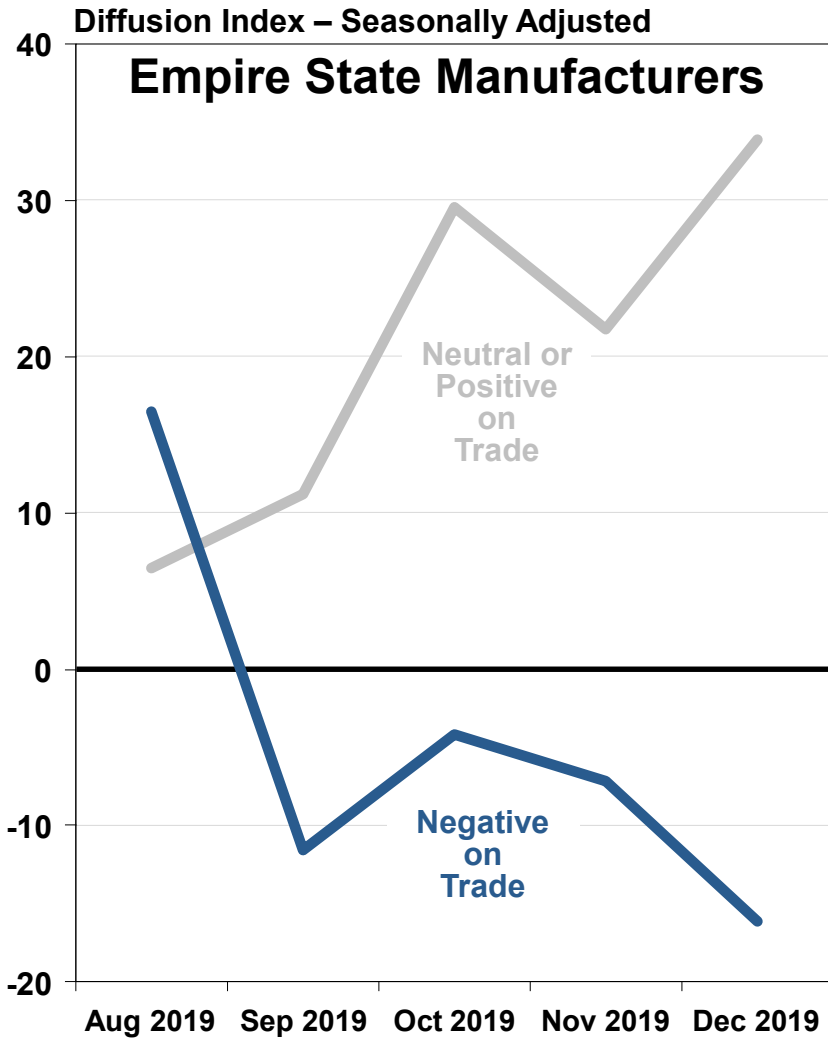


Empire State Manufacturing Survey – Aug 2019



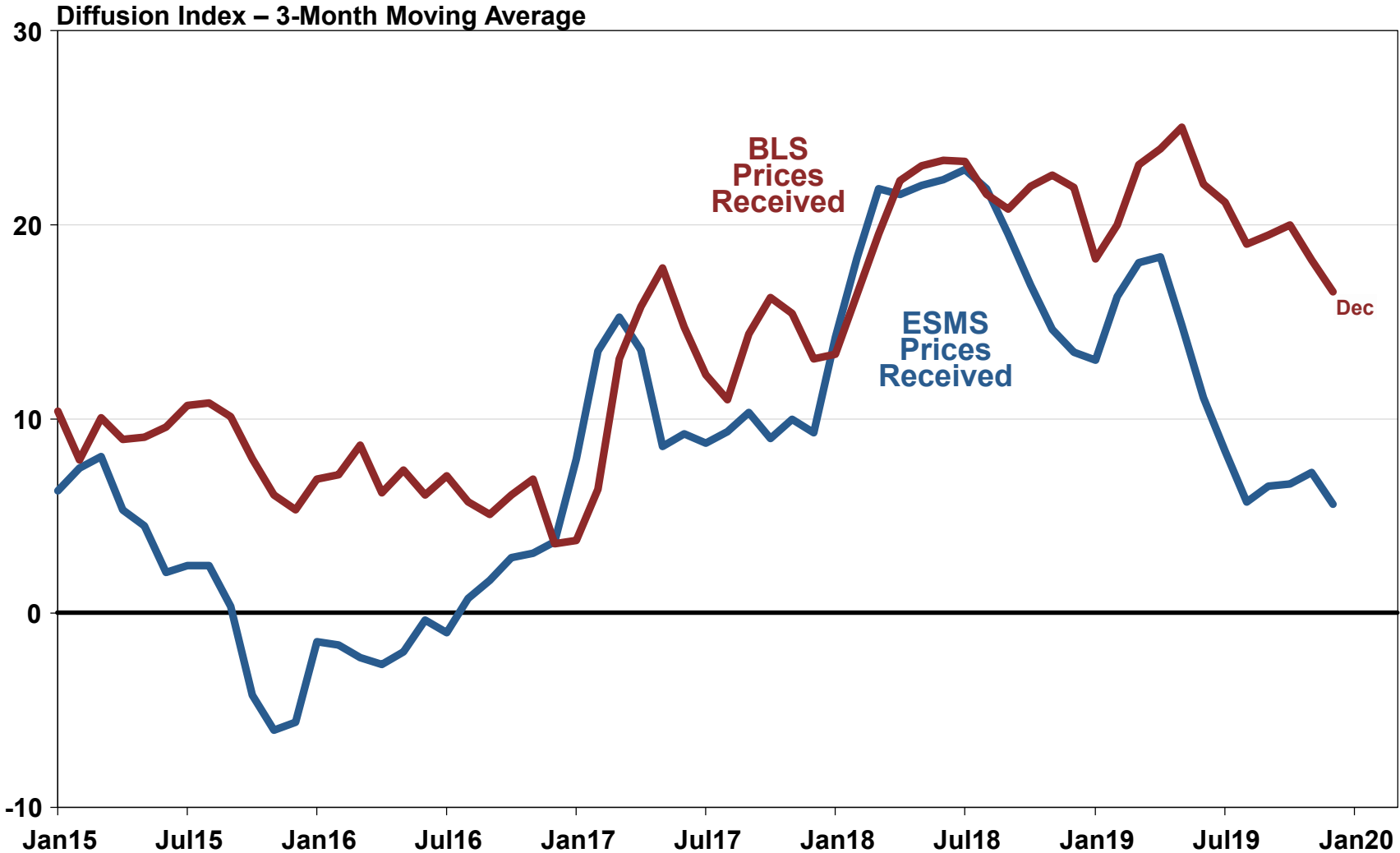
Trade Issues Affecting Local Business

FRBNY Regional Business Surveys, Business Activity



Selling Prices

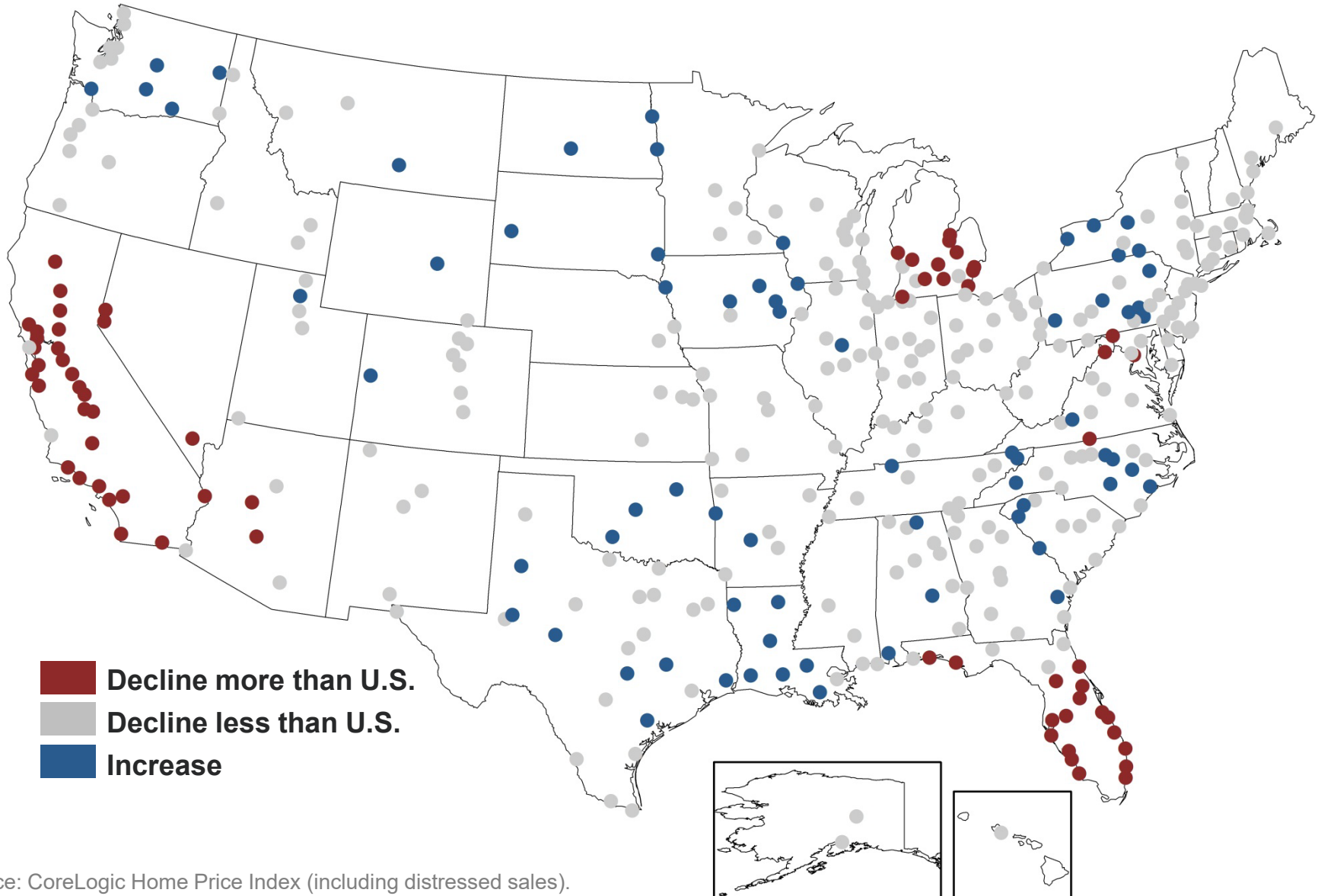
FRBNY Regional Business Surveys



Source: Federal Reserve Bank of New York.

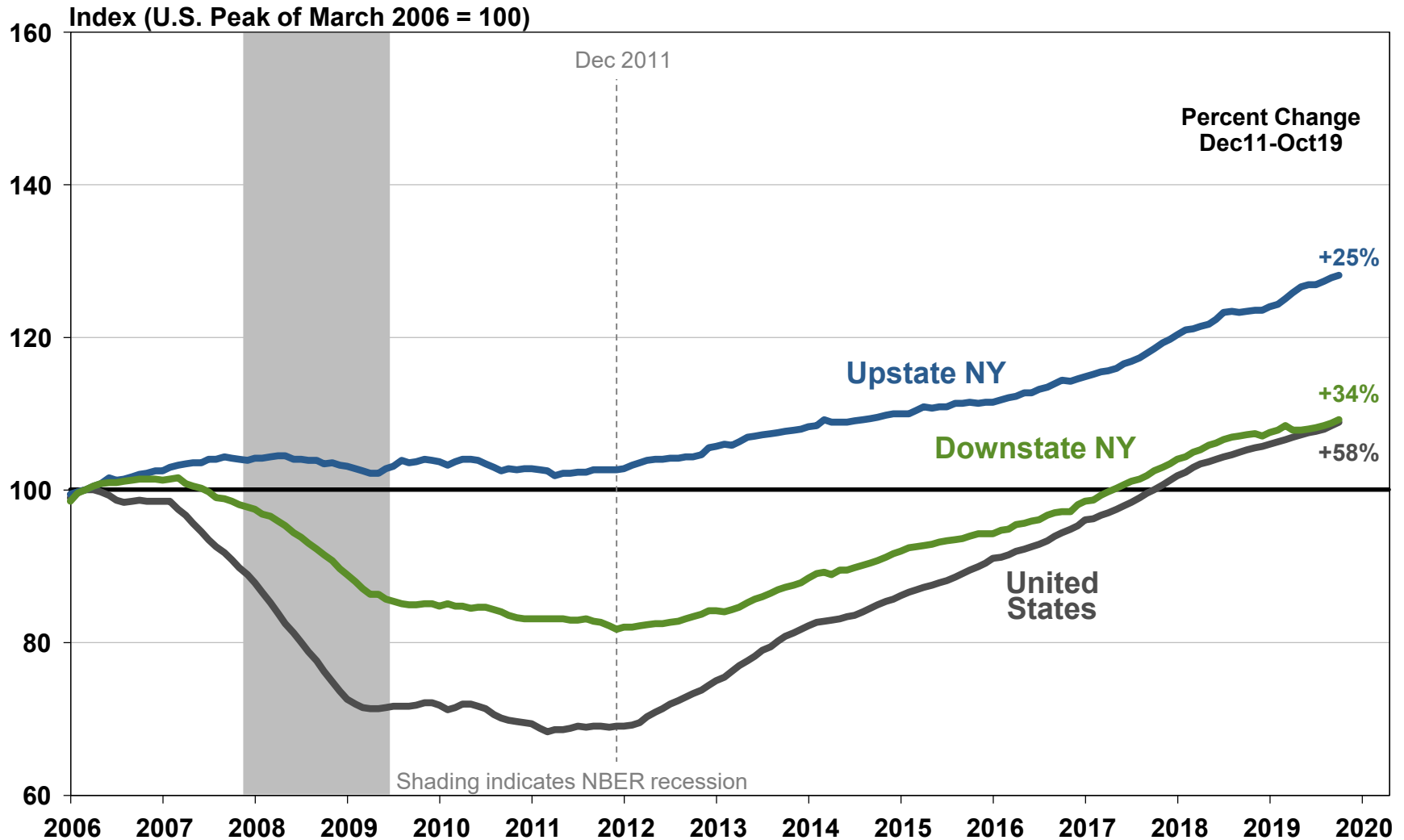
The Geography of the Housing Bust

Change in Home Prices, March 2006 – April 2009



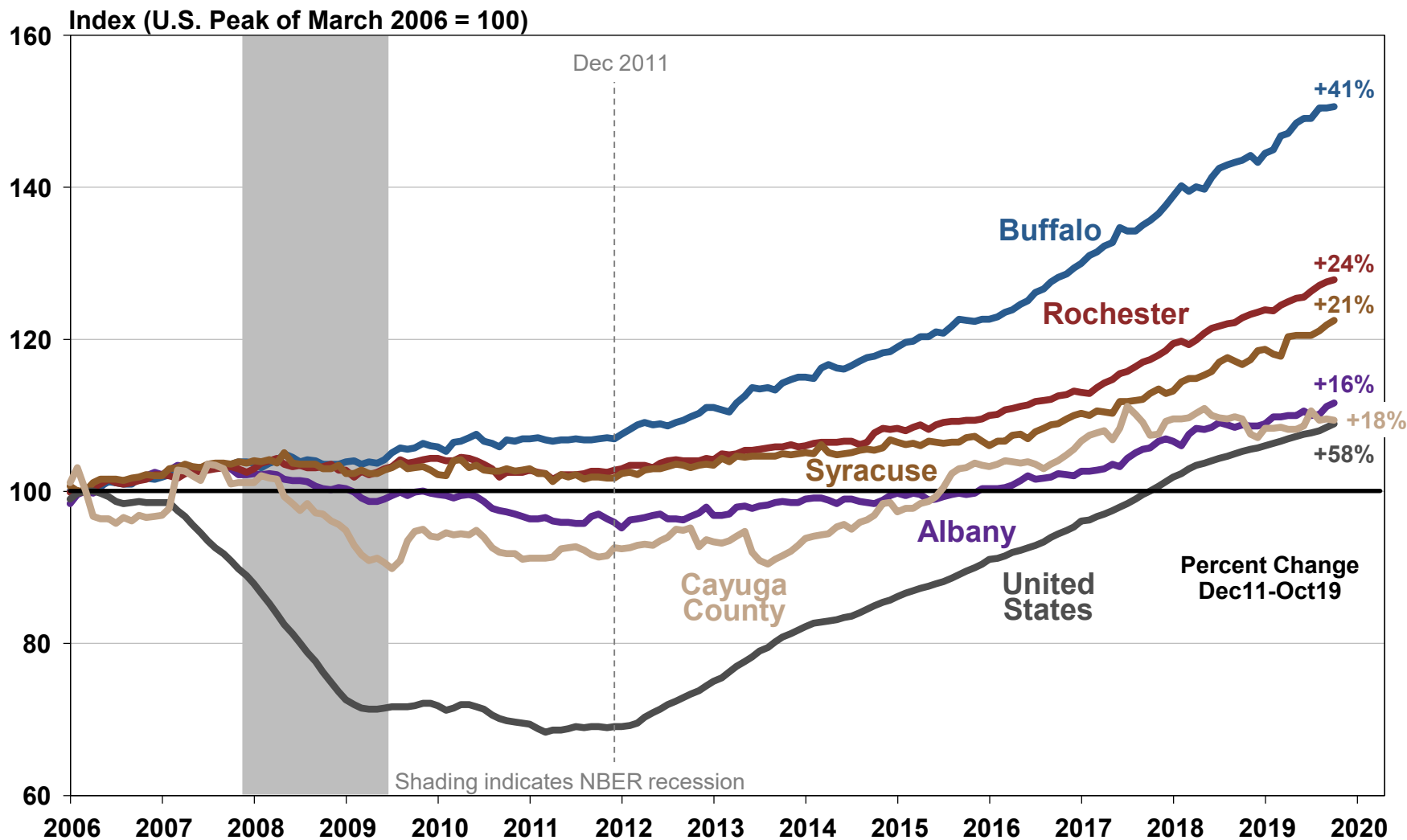
Regional Home Price Trends

Home Price Index, Seasonally Adjusted



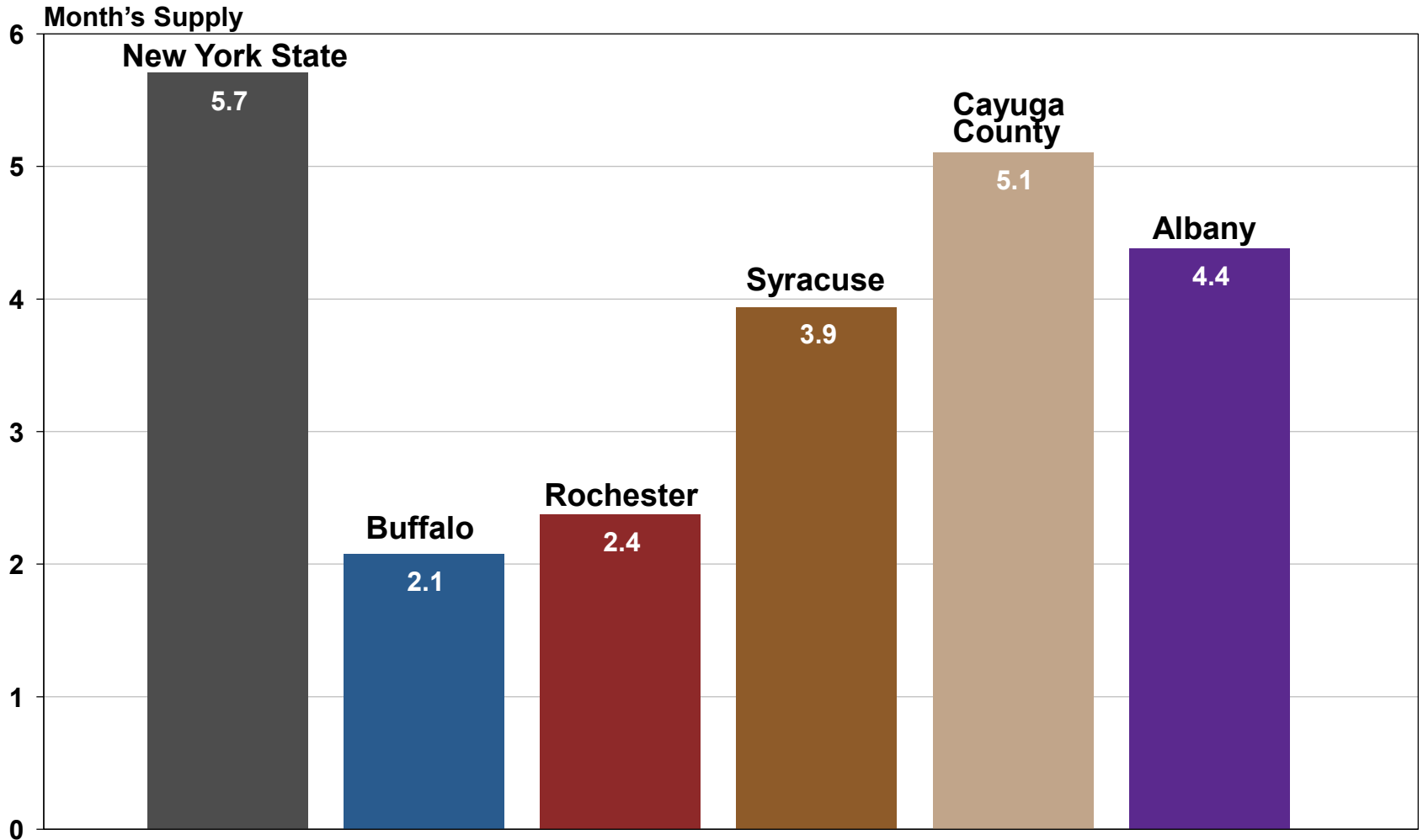
Local Home Price Trends

Home Price Index, Seasonally Adjusted



Low Inventory in the Region

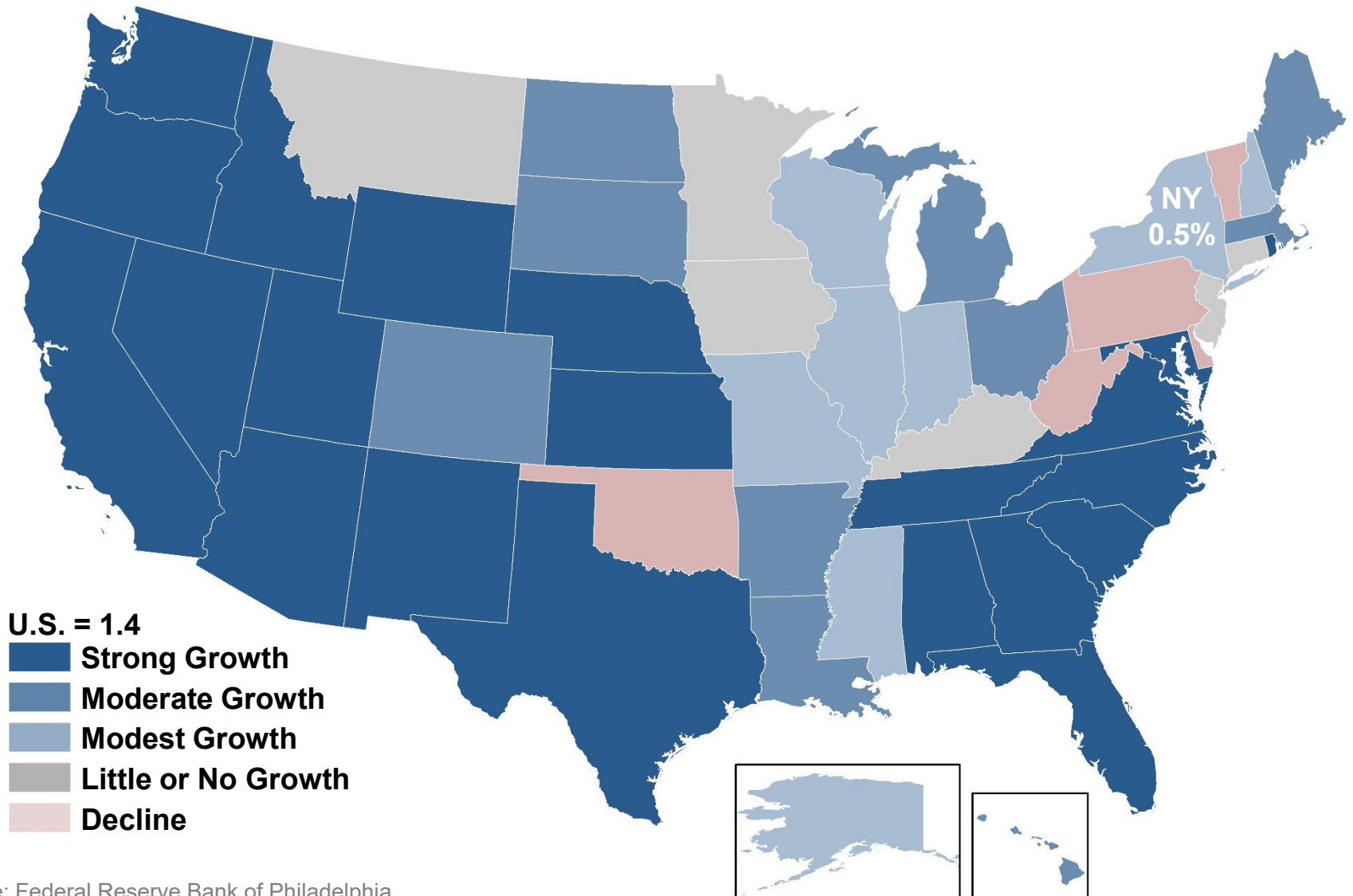
Month's Supply, November 2019



Looking Ahead

State Leading Economic Indexes

Six-Month Forecast of State Growth, November 2019



Future Economic Conditions

FRBNY Regional Business Surveys, Conditions Six Months Ahead

