

## THE HEYM REPORT

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### ECONOMIC GROWTH SLOWS IN NYC

- A slowdown in hiring and business investment kept both local and national growth restrained in the second quarter of 2016.
- The New York City economy grew at a 1.7% annual rate, down from the prior quarter, but still above the 1.1% national rate.
- This was the slowest rate of economic growth in NYC since the fourth quarter of 2013.

### NYC EMPLOYMENT REBOUNDS IN JULY

- After a timid second quarter, job growth picked up in NYC with almost 30,000 jobs added in July.
- Compared to July 2015, employment rose by 98,100, a 2.3% gain.
- Education and health services (+32,000) and leisure and hospitality (+25,500) added the most jobs over the past year.

### MORTGAGE RATES STAGNANT OVER PAST MONTH

- Rates for 30-year conforming mortgages averaged 3.43% during the week ending August 25<sup>th</sup>, unchanged from the prior week.
- Sluggish economic growth has kept rates below 3.5% for the past nine weeks.
- One year ago, 30-year rates averaged 3.84%.

### Percent Change in Economic Growth

Source: NYC Comptroller

	NYC	US
<b>2Q15</b>	2.2%	2.6%
<b>3Q15</b>	3.2%	2.0%
<b>4Q15</b>	3.1%	0.9%
<b>1Q16</b>	4.0%	0.8%
<b>2Q16</b>	1.7%	1.1%

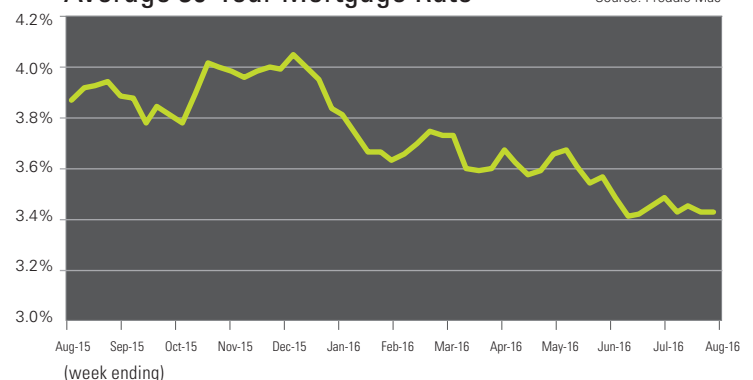
### NYC Employment (thousands)

Source: NYS Dept of Labor

INDUSTRY	JUL-16	JUL-15	NET CHANGE	PERCENT CHANGE
Education and Health Services	878.7	846.7	32.0	3.8%
Leisure and Hospitality	457.6	432.1	25.5	5.9%
Professional and Business Services	718.8	708.0	10.8	1.5%
Information	199.0	190.2	8.8	4.6%
Trade, Transportation, and Utilities	629.0	622.8	6.2	1.0%
Other Services	191.2	185.3	5.9	3.2%
Construction	147.0	142.3	4.7	3.3%
Local Government	471.9	468.0	3.9	0.8%
Manufacturing	78.8	78.1	0.7	0.9%
Federal Government	49.9	49.5	0.4	0.8%
State Government	43.6	43.6	0.0	0.0%
Financial Activities	467.3	468.1	-0.8	-0.2%
<b>Total</b>	<b>4,332.8</b>	<b>4,234.7</b>	<b>98.1</b>	<b>2.3%</b>

### Average 30-Year Mortgage Rate

Source: Freddie Mac



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