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EASTERN CONSOLIDATED
Real estate investment services

NYC Employment Alert

July 2011

The following report covers the New York City employment results for July 2011. The results are based on preliminary data released from the New York State Department of Labor that was seasonally adjusted by Eastern Consolidated.

New York City added a robust 22,800 jobs in July following a revised gain of 3,800 jobs in June. Last month we reported that the city had gained only 1,400 jobs. Of the added jobs in July, 19,200 were in the private sector and 3,600 were in the public sector. This is the first month that has shown growth in government jobs since February.

Once again, the industry showing the biggest gain was private education which added 13,300 jobs in July. As we have cautioned in the past, a gain this size in a summer month usually signals a seasonal adjustment aberration. This generally means that teacher turnover was much lower than normal at private institutions and/or more schools are operating summer programs. A gain this sharp is usually followed by an offsetting loss in September when the expected gain in jobs fails to materialize.

Outside of education, the largest gains were seen in accounting (+2,200 jobs), arts and entertainment (+2,200 jobs) and restaurants (+1,500).

For the third straight month the securities industry posted a loss, this time with 2,300 fewer jobs in July. This industry had added jobs in the first quarter but now posts a year-to-date loss of 2,300 jobs. These losses are not surprising given the market volatility stemming from the debt ceiling talks in July, the S&P downgrade on U.S. Treasuries as well as a steady stream of negative reports from Europe. Commercial banking lost 100 jobs in July and insurance lost 200 jobs. On a positive note, the real estate industry added 900 jobs in July and has added 4,600 jobs this year.

Also, wholesale trade lost 3,000 jobs and health services lost 1,500. Health services also shows a year-to-date loss of 1,700 jobs. The construction industry lost 600 jobs as well in July.

The table below shows the net gain and loss since the bottom of the last recession. Using employment trends as the indicator, the recession “ended” earlier in New York (September 2009) than in the U.S. (February 2010). Note that the securities industry still shows a gain since the nadir.

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New York City and U.S. Employment Changes As of July 2011
(Ranked by New York City Growth or Loss)

Biggest Gainers Since the Bottom of the Recession					Biggest Losers Since the Bottom of the Recession				
	New York City (Since Sept. 2009)		U.S. (Since Feb. 2010)			New York City (Since Sept. 2009)		U.S. (Since Feb. 2010)	
Industry	22-Month Gain	22-Month % Gain	17-Month Gain	17-Month % Gain	Industry	22-Month Loss	22-Month % Loss	17-Month Loss	17-Month % Loss
Educational Services	37,400	22.7%	85,700	2.7%	Construction	-12,100	-10.3%	-1,000	0.0%
Food Services and Drinking Places	18,500	9.1%	203,400	2.2%	Federal Government	-5,700	-10.4%	-38,000	-1.3%
Retail Trade	15,500	5.3%	192,700	1.3%	Local Government	-4,400	-1.0%	-323,000	-2.2%
Employment Services	10,600	18.5%	290,100	11.1%	Manufacturing	-4,300	-7.0%	283,000	2.5%
Health Services	9,500	2.3%	405,600	3.0%	Religious, Civic and Non-Profits	-4,200	-4.1%	80,800	2.8%
Advertising and Related	6,100	11.7%			Legal Services	-3,700	-4.7%	2,000	0.2%
Computer Systems Design	5,600	12.7%	85,100	6.0%	Publishing	-3,500	-7.2%	-7,500	-1.0%
Accounting	3,700	8.3%	27,300	3.0%	State Government	-3,200	-6.5%	-79,000	-1.5%
Management Consulting	3,200	10.3%	57,300	5.8%	Apparel Manufacturing	-1,600	-9.3%	-8,100	-5.0%
Hotels	3,200	7.8%	71,200	4.1%	Insurance	-1,300	-2.4%	-50,200	-2.2%
Social Services	3,100	1.9%	85,200	3.3%	Telecommunications	-700	-3.3%	-52,900	-5.8%
Securities	2,900	1.8%	14,500	1.8%	Arts, Entertainment, Recreation	-500	-0.7%	18,200	1.0%

Source: Eastern Consolidated, New York State Department of Labor and U.S. Bureau of Labor Statistics

The table above showing the net gains since the respective "troughs" in the economy (September 2009 for New York and February 2010 for the U.S) shows that the industries growing in New York City are doing so at a far more robust rate than the same industries at the national level in all but one industry. However, the industries showing a loss in New York also show heavier losses than in the U.S.

In the last 22 months, New York City has added 102,100 jobs, or 2.8%. The U.S. has added 1.94 million jobs since February 2010, a growth rate of 1.5%. The City has recovered 115,400 private sector jobs or 82.6% of the private sector jobs lost in the last recovery. The U.S. has added 2.38 million private sector jobs or 27% of the jobs lost in the prior recession. The chart below shows how New York City has outpaced the U.S. in the recent recovery.

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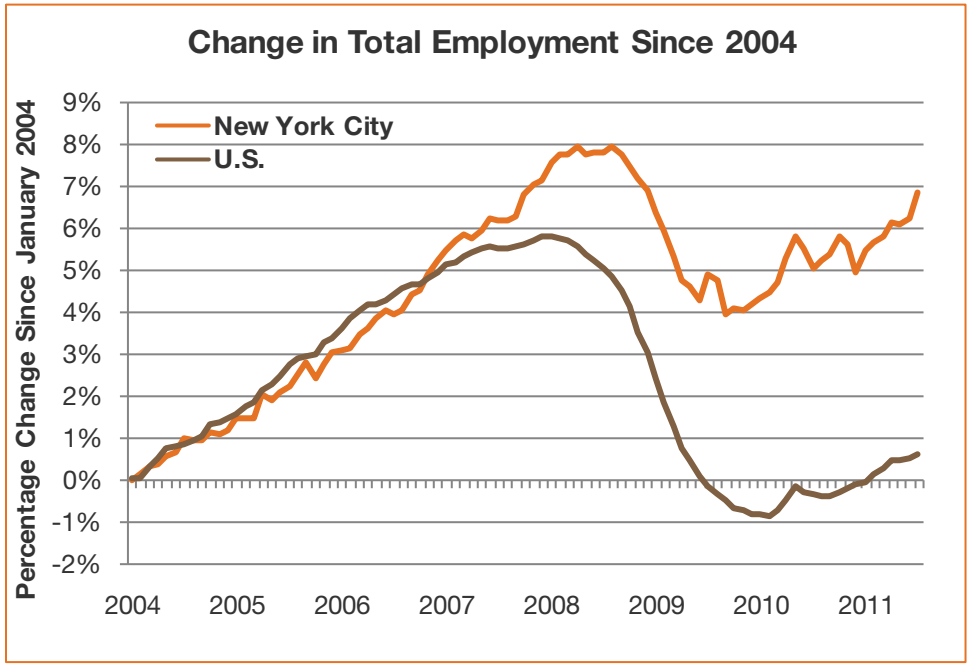

Source: Eastern Consolidated, New York State Department of Labor and U.S. Bureau of Labor Statistics

The July results represent one month of data. The NYS Department of Labor revises its estimates on a monthly basis.

Eastern Consolidated is a full-service real estate investment services firm, headquartered in New York City.

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EASTERN CONSOLIDATED Real estate investment services July 2011	New York City Employment Changes					U.S. Employment Changes			
	One Month	Year to Date (Since December 2010)	Year to Date % (Since December 2010)	Since Through (September 2009)	Since Through % (September 2009)	One Month	Year to Date (Since December 2010)	Year to Date % (Since December 2010)	Since Through % (February 2010)
Construction	-600	-2,500	-2.3%	-12,100	-10.3%	8,000	34,000	0.6%	-1,000
Manufacturing	-300	-2,300	-3.0%	-6,000	-7.6%	24,000	180,000	1.6%	283,000
Apparel Manufacturing	-100	-800	-4.9%	-1,600	-9.3%	-2,000	-4,700	-3.0%	-8,100
Wholesale Trade	-3,000	2,600	1.9%	2,600	1.9%	1,700	65,900	1.2%	102,300
Retail Trade	-100	10,800	3.6%	15,500	5.3%	25,900	129,000	0.9%	192,700
Transportation, Utilities	300	2,200	1.9%	-500	-0.4%	1,100	9,500	0.2%	134,700
Air Transportation	200	2,500	9.4%	2,200	8.1%	2,400	13,100	2.8%	16,500
Information	2,800	200	0.1%	-700	-0.4%	-1,000	-11,000	-0.4%	-48,000
Publishing	500	-1,300	-2.8%	-3,500	-7.2%	300	-700	-0.1%	-7,500
Motion Picture and Recording	400	2,200	5.0%	2,000	4.5%	300	-6,300	-1.7%	-4,400
Broadcasting	0	300	1.1%	500	1.8%	-300	-600	-0.2%	600
Telecommunications	-100	-300	-1.4%	-700	-3.3%	-2,700	-16,100	-1.8%	-52,900
Financial Activities	-1,300	5,100	1.2%	5,800	1.4%	-4,000	-14,000	-0.2%	-54,000
Banking	-100	0	0.0%	1,300	1.5%	-3,000	-11,300	-0.4%	-8,600
Securities	-2,300	-2,300	-1.4%	2,900	1.8%	700	9,100	1.1%	14,500
Insurance	-200	-800	-1.5%	-1,300	-2.4%	-3,600	-17,800	-0.8%	-50,200
Real Estate	900	4,600	4.0%	1,800	1.5%	-900	4,300	0.2%	-12,100
Professional and Business Services	2,100	18,500	3.2%	40,100	7.1%	34,000	291,000	1.7%	649,000
Legal Services	-100	-1,700	-2.2%	-3,700	-4.7%	4,000	900	0.1%	2,000
Accounting	2,200	5,700	13.3%	3,700	8.3%	-3,600	42,800	4.9%	27,300
Architectural and Engineering	0	400	1.6%	200	0.8%	1,300	18,400	1.4%	16,100
Computer Systems Design	100	900	1.8%	5,600	12.7%	6,100	47,800	3.3%	85,100
Management Consulting	300	1,200	3.6%	3,200	10.3%	5,400	37,900	3.8%	57,300
Advertising and Related	1,400	3,700	6.8%	6,100	11.7%	N/A			
Employment Services	1,000	800	1.2%	10,600	18.5%	3,300	55,900	2.0%	290,100
Educational and Health Services	14,200	27,800	3.7%	50,700	6.9%	38,000	216,000	1.1%	577,000
Educational Services	13,300	26,900	15.3%	37,400	22.7%	1,600	25,100	0.8%	85,700
Health Services	-1,500	-1,700	-0.4%	9,500	2.3%	31,300	170,900	1.2%	405,600
Social Assistance	1,500	2,100	1.3%	3,100	1.9%	5,400	19,800	0.7%	85,200
Leisure and Hospitality	4,800	9,900	3.1%	21,400	6.9%	17,000	151,000	1.2%	293,000
Arts, Entertainment, Recreation	2,200	2,000	3.1%	-500	-0.7%	13,500	15,900	0.8%	18,200
Museums and Historical Sites	100	700	6.1%	900	7.9%	600	4,400	3.5%	4,300
Hotels	900	1,600	3.7%	3,200	7.8%	2,700	45,900	2.6%	71,200
Food Services and Drinking Places	1,500	6,000	2.8%	18,500	9.1%	300	89,300	0.9%	203,400
Other Services	300	1,100	0.7%	-1,400	-0.9%	0	30,000	0.6%	131,000
Religious, Civic and Non-Profits	-1,700	100	0.1%	-4,200	-4.1%	-3,700	2,000	0.1%	80,800
Government	3,600	-5,300	-1.0%	-13,300	-2.4%	-37,000	-218,000	-1.0%	-440,000
Federal Government	200	-3,800	-7.2%	-5,700	-10.4%	2,000	-19,000	-0.7%	-38,000
State Government	-100	-900	-1.9%	-3,200	-6.5%	-23,000	-76,000	-1.5%	-79,000
Local Government	3,500	-600	-0.1%	-4,400	-1.0%	-16,000	-123,000	-0.9%	-323,000
Total	22,800	68,100	1.8%	102,100	2.8%	117,000	930,000	0.7%	1,944,000
Total Private Sector	19,200	73,400	2.3%	115,400	3.7%	154,000	1,148,000	1.1%	2,384,000
Office Sector	-1,300	26,500	1.9%	43,600	3.1%	27,000	333,900	0.9%	730,100

Sectors are in bold, the industries underneath them are included in the sector totals, but the sum of the listed industries does not necessarily add to the sector total.

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