

MONTHLY ECONOMIC INDICATORS

THE PORT AUTHORITY OF NY & NJ

Planning and Regional Development Department

March 2016

	Actual		Annual Forecast
UNEMPLOYMENT RATE	FEB 2016	FEB 2015	2016
U.S.	4.9%	5.5%	4.7%
REGION (DEC 2015)	4.5%	5.5%	-
NON-FARM EMPLOYMENT	FEB 2016	FEB '16/ FEB '15	2016
U.S.	143.56M	1.9%	1.3%
REGION	8.86M	1.7%	1.5%
REAL GDP	2015Q4	2015Q3	2016
U.S.	1.4%	2.0%	2.1%
REGION	2.3%	5.1%	2.6%
INTERNATIONAL TRADE	JAN 2016	JAN '16/ JAN '15	2016
U.S.	\$274.3B	-8.9%	3.1%
NY CUSTOMS DISTRICT			
NY Imports	\$28.7B	-10.9%	-
NY Exports	\$18.8B	-10.9%	-
	\$9.9B	-11.0%	-
GASOLINE PRICE	FEB 2016	FEB 2015	2016
New York City	\$2.22/g	\$2.65/g	\$2.09/g
Newark, NJ	\$1.86/g	\$2.17/g	\$1.74/g
PRICES	FEB '16/ FEB '15	FEB '15/ FEB '14	2016
Consumer Prices - U. S.	1.0%	-0.1%	0.6%
Consumer Prices - REGION	0.6%	0.1%	0.8%
Personal Income - U. S.	4.0%	4.5%	5.0%
Personal Income - REGION	3.5%	4.2%	4.8%
Construction Costs - U.S. 20-CITY	2.2%	5.2%	-
Construction Costs - NYC	-0.2%	4.3%	-
PRICES	JAN '16/ JAN '15	JAN '15/ JAN '14	2016
Housing Prices - U.S. 20-CITY	5.7%	4.3%	-
Housing Prices - NYC	2.8%	1.6%	-
CLASS A OFFICE SPACE AVERAGE ASKING RENT	2015Q4	2015Q3	2016
Manhattan Totals	\$76.76/sf	\$75.95/sf	-
Midtown	\$81.67/sf	\$81.60/sf	-
Downtown	\$63.17/sf	\$60.79/sf	-

* For Unemployment Rates, Employment and GDP, U.S. data are seasonally adjusted, regional data are not.

* Forecast developed by PA Planning staff using Oxford Economics' Macro Model.

SPECIAL FOCUS

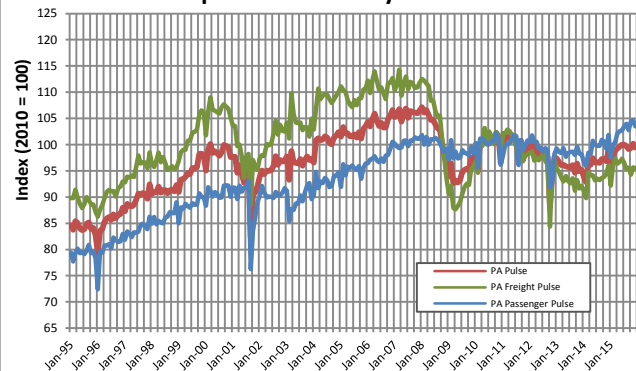
2015: A Year of Records!

It has taken us a while to compile and finalize a complete set of data but now we can report to you that Port Authority facilities across the board saw growth in activity levels in 2015. As a headline indicator, the PA Passenger Pulse index, designed to track trans-Hudson activity, rose to record levels and topped 104 for the first time ever. There are many contributing factors behind this trend such as strong employment growth throughout the region, particularly in New York City, coupled with exceptionally low gas prices.

Traffic at Port Authority bridge and tunnel crossings saw the first signs of growth since the year 2007 when national and regional vehicle-miles travelled started to decline. Since then, auto traffic experienced eight years of declines in yearly traffic and in 2014 stood nearly 10% below the peak traffic in 2006. Declines in cash traffic headlined these declines. But the 2015 resurgence has followed an opposing storyline as cash traffic, especially at the GWB, bolstered headline auto traffic, which grew 1.7% in 2015 and is now 9% below the peak 2006 figure.

Large and small truck traffic has also grown for the first time in many years. However, the meaning of this growth is somewhat unclear due to the artificially depressed large truck activity on the GWB in 2014 due to construction in the second half of the year. Regardless, given that total truck levels in 2014 were 17% below their peak levels and the years of declines, any growth or stability in truck traffic is noteworthy as we have reached the end of scheduled toll increases on Port Authority Trans-Hudson crossings. *(continued on page 2)*

The PA Pulse - A Seasonally Adjusted Transportation Activity Indicator



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AVIATION					PORT COMMERCE				
	Jan '16	YTD	Jan '16/'15	YTD '16/'15		Jan '16	YTD	Jan '16/'15	YTD '16/'15
Revenue Passengers (000's)	8,965.2	8,965.2	6.5%	6.5%	Port Trade				
John F. Kennedy International Airport (JFK)	4,229.7	4,229.7	7.0%	7.0%	Container Imports (TEUs)	247,129	247,129	5.0%	5.0%
LaGuardia Airport (LGA)	2,019.6	2,019.6	10.3%	10.3%	Container Exports (TEUs)	102,669	102,669	-1.5%	-1.5%
Newark Liberty International Airport (EWR)	2,694.9	2,694.9	3.2%	3.2%	Containers lifted on/off Express Rail	39,366	39,366	6.0%	6.0%
Stewart International Airport (SWF)	21.0	21.0	0.2%	0.2%					
Revenue Freight (Short Tons)	156,364	156,364	-1.6%	-1.6%	TUNNELS, BRIDGES & TERMINALS	Jan '16	YTD	Jan '16/'15	YTD '16/'15
Domestic	54,418	54,418	-2.5%	-2.5%	Eastbound Vehicle Volumes (000's)	8,613	8,613	2.5%	2.5%
International	101,946	101,946	-1.1%	-1.1%	George Washington Bridge	3,720	3,720	2.9%	2.9%
Flights	97,506	97,506	1.5%	1.5%	Lincoln Tunnel	1,420	1,420	1.4%	1.4%
Domestic Air Carrier	69,535	69,535	1.2%	1.2%	Holland Tunnel	1,144	1,144	-0.2%	-0.2%
International Air Carrier	22,118	22,118	-1.1%	-1.1%	Bayonne Bridge	129	129	-34.9%	-34.9%
General Aviation	5,853	5,853	17.5%	17.5%	Goethals Bridge	1,120	1,120	9.3%	9.3%
Paid Parked Cars	625,809	625,809	2.0%	2.0%	Outerbridge Crossing	1,080	1,080	6.1%	6.1%
Revenue AirTrain Passengers	647,000	647,000	0.3%	0.3%	Eastbound Volumes by Vehicle Type (000's)				
					Autos	7,852	7,852	2.7%	2.7%
					Trucks	543	543	0.7%	0.7%
					Buses	219	219	-0.9%	-0.9%
FERRY OPERATIONS	Jan '16	YTD	Jan '16/'15	YTD '16/'15	PORT AUTHORITY PULSE	Dec '15	Nov '15	Change	
Passengers (000's)					(Seasonally Adjusted, 2010=100)				
New Jersey Ferries	594.8	594.8	11.0%	11.0%	PA Pulse (Transportation Activity Index)	99.5	100.2	-0.7%	
					PA Freight Pulse	95.5	95.7	-0.2%	
					PA Passenger Pulse	103.5	104.6	-1.1%	
PATH	Jan '16	YTD	Jan '16/'15	YTD '16/'15	U.S. TRANSPORT. SERVICES INDEX	Jan '16	Dec '15	Change	
Passengers (000's)	5,753.0	5,753.0	5.2%	5.2%	(Prelim., Seasonally Adj., 2000=100)				
Average Weekday	250.5	250.5	10.1%	10.1%	TSI - Combined Index	123.0	122.5	0.4%	
Average Saturday	87.9	87.9	-1.1%	-1.1%	TSI - Freight	122.2	121.6	0.5%	
Average Sunday	67.6	67.6	2.8%	2.8%	TSI - Passenger	124.6	124.3	0.2%	

TRANSPORTATION FOCUS

(from page 1)

PATH also experienced record ridership last year. After a considerable decline following Sandy and then more modest growth in ridership over the next several years due to facility closures related to the cleanup and fortification efforts, PATH has reached levels last seen several decades ago! Annual year over year growth was 3.9% in 2015. This is a positive indication for PATH as the new transit hub opens up at the World Trade Center site and connects the Fulton subway station to the PATH platforms and the World Trade Center buildings.

Port Authority airports also hit new records in the number of passengers they served after growing an astounding 5.7% in 2015. This number is headlined by the growth in passengers at JFK of 6.8% with LGA and EWR following close behind at 5.4% and 5.3%, respectively. Collectively, the airports served over 124 million passengers in 2015, 6.7 million more passengers than the record set in 2014. Over the next several years as redevelopment efforts at LaGuardia are finished and the operations at each of the other airports continue to be optimized, we expect this number to continue to grow.

At our port facilities there are two opposing stories. Exports declined for the fourth consecutive year but imports were up by an astounding 9.2%. The declines in exports are part of a larger macroeconomic picture that is at the mercy of exchange rates and a lack of demand from foreign trading partners. In addition, labor issues at our competitor ports on the West Coast have bolstered activity. Some of these gains may be clawed back as the West Coast ports recover some of the lost volume, but currently a significant amount of the diverted containers have remained on the East Coast instead of reverting back to West Coast shipping channels.

The Port Authority is primed for another year of growth at many of its facilities. That is invariably a sign of a strengthening economy but more traffic on any mode also means more congestion and delays. Hence, the questions of how much additional capacity to provide to commuter, leisure and business travelers as well as the freight community are essential for a well functioning regional economy in the future. We look forward to keeping you updated on how the Port Authority is keeping passengers and freight moving throughout the region over the next year.

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