

ECONOMICS & THE MARKET

The New York State Department of Labor updated the employment statistics for August to reflect that New York City experienced a combined jobs increase of 2.6% in the private and government sectors. Statewide the official seasonally adjusted unemployment rate decreased to approximately 6.4% while the New York City unemployment rate decreased to 7.3%.

Year-over-year, manufacturing and government sectors shed jobs, while the primary industries contributing to job growth were educational & health services, trade, transportation & utilities as well as professional and business services.

The S&P 500 has fluctuated around the 2,000 mark and the 30-Year Fixed Rate Mortgage increased to approximately 4.23%. The Federal Reserve has continued a planned termination of the quantitative easing policies for this October. It should be interesting to see the interplay between interest rates and asset prices as we approach 2015.

*The following chart demonstrates fluctuations in the S&P 500 Stock Index as well as the 30-Year FRM on a weekly basis from 2010 through September 2014:

S&P 500 Stock Index and 30-Year FRM



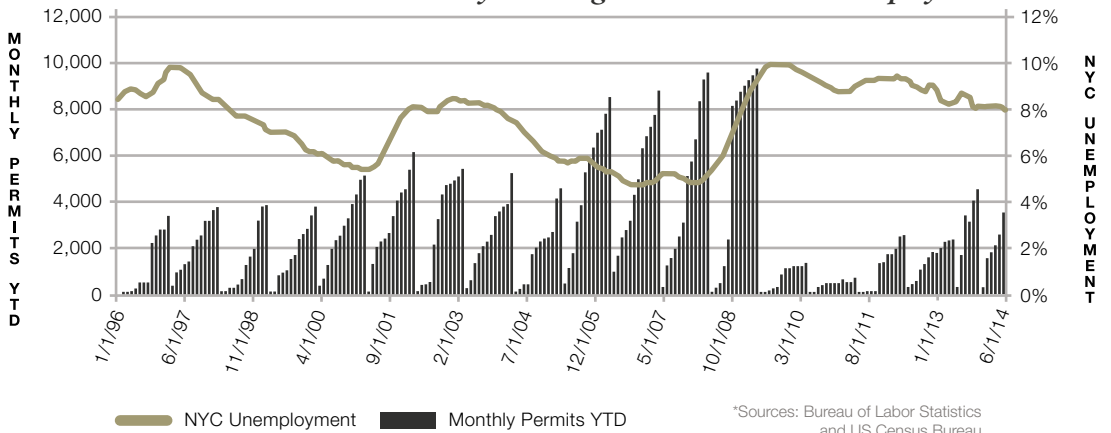
MONEY & THE MARKET

Another important indicator for the state of the economy is the number of building permits. For the month of April there were 3,563 building permits issued in Manhattan YTD, a significant increase from the same period in 2013, however still not at pre-recession levels.

While the economy has been growing at a rate that is slower than desired, it has shown signs of improvement in numerous sectors including residential real estate. Simultaneously, recent Census reports posted by the United States Department of Commerce suggest that the most recent privately owned housing starts have increased 8.0% year-over-year.

*The following graph depicts the number of building permits issued on a monthly basis alongside the New York City unemployment rate on a monthly basis from January 1996 through July 2014 covering several periods of economic fluctuations:

Cumulative Manhattan Monthly Building Permits & NYC Unemployment



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