

SECURITIES INDUSTRY EMPLOYMENT UPDATE

Summary

The U.S. Department of Labor's Bureau of Labor Statistics (BLS) estimated national securities industry employment decreased in May by 0.3 percent, losing 2,300 jobs from April's level. Securities industry headcount in New York State remained at the prior month's level, while headcount in New York City declined by 0.3 percent, down 600 jobs from the previous month. For the first quarter 2008, national securities industry employment, as estimated by the BLS, increased from the previous quarter by 10,700 jobs, or by 1.3 percent.¹ Securities industry employment in New York State declined in the first quarter 2008 compared to fourth quarter 2007 by 1.2 percent, or 2,600 jobs, while headcount in New York City decreased by 1.8 percent, or 3,400 jobs.

U.S. Employment

Employment levels in the national securities industry have fallen since the 2008 high of 867,000 jobs in April; since then, employment levels dropped slightly in May by 0.3 percent, or 2,300 jobs. The May headcount was 2.6 percent above that in the same year-earlier period. Securities industry employment had gradually trended upward during the 31 months since the end of the last cyclical employment downturn, when the industry lost 89,900 jobs, or 10.7 percent of its total workforce. From the October 2003 nadir of 751,000 jobs through May 2008, the securities industry gained 113,700 jobs. This represents a full recovery of the jobs lost between the peak of 840,900 in March 2001 and the trough of October 2003, and an additional gain of 23,800 jobs above that previous record.

Turmoil in the U.S. subprime mortgage market has affected many markets and financial firms, both in the U.S. and overseas. Fallout has already led to layoffs domestically and will continue to take a toll on securities industry employment throughout 2008, and 2009. The financial services sector has publicly announced approximately 83,000 global layoffs since July 2007. But, it is clear the numbers reported by the BLS do not yet reflect these announced layoffs at the city, state or national level as severance packages and other such arrangements may extend through the end of this year and beyond. Further, the more narrowly-defined securities industry category is a subsector of the larger financial services sector, which includes commercial banks, insurance companies, mortgage brokers and others, and so will not reflect the layoff totals in the industry as a whole. While the announced layoffs have not yet fed through official securities industry statistics, they do point to a severe industry employment contraction in the near future.²

¹ BLS securities employment numbers are comprised of the total number of people on the payroll on the week of the 12th of every month, including those receiving severance packages and temporary workers hired in-house by the firm; as such, employment numbers do not accurately reflect the ongoing layoff announcements within the securities industry and larger financial sector. For more information about data collection, please contact the Bureau of Labor Statistics at (www.bls.gov).

² According to Bloomberg and other media reports.

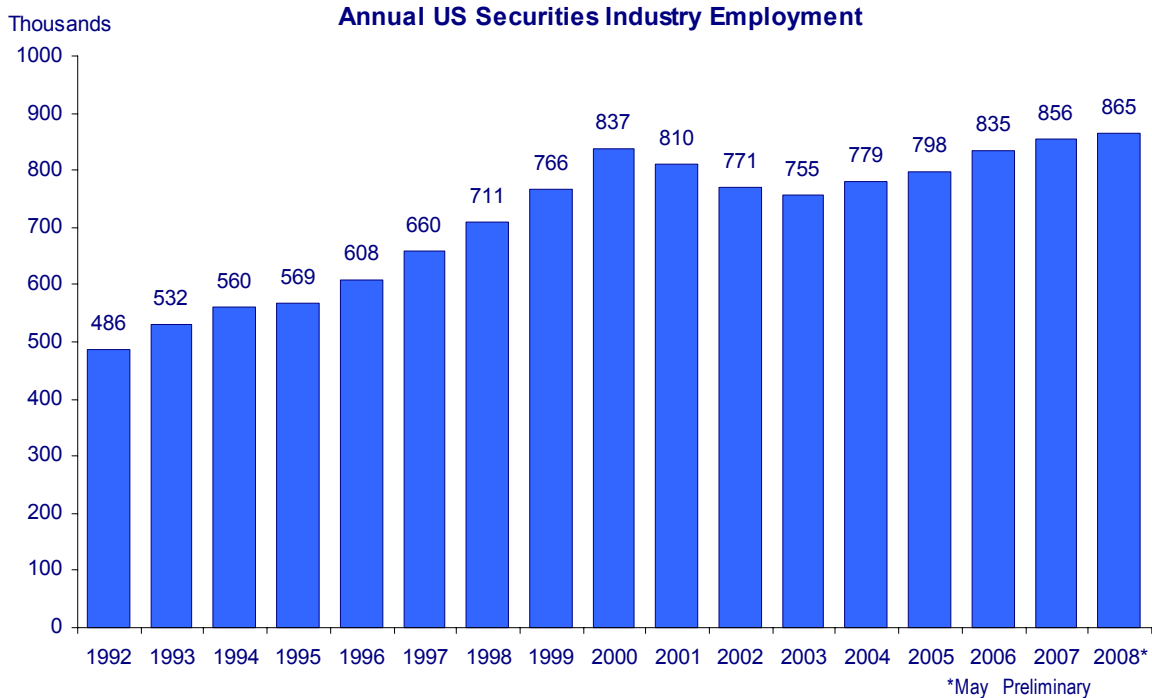
Monthly US Securities Industry Employment



Source: Bureau of Labor Statistics (BLS), U.S. Department of Labor

The May 2008 BLS securities industry national headcount of 864,700 was 2.8 percent above its previous peak level of 840,900 set in March 2001, although slightly below the 867,000 recorded in April.

Annual US Securities Industry Employment



Source: BLS (Year-end data)

New York State Employment

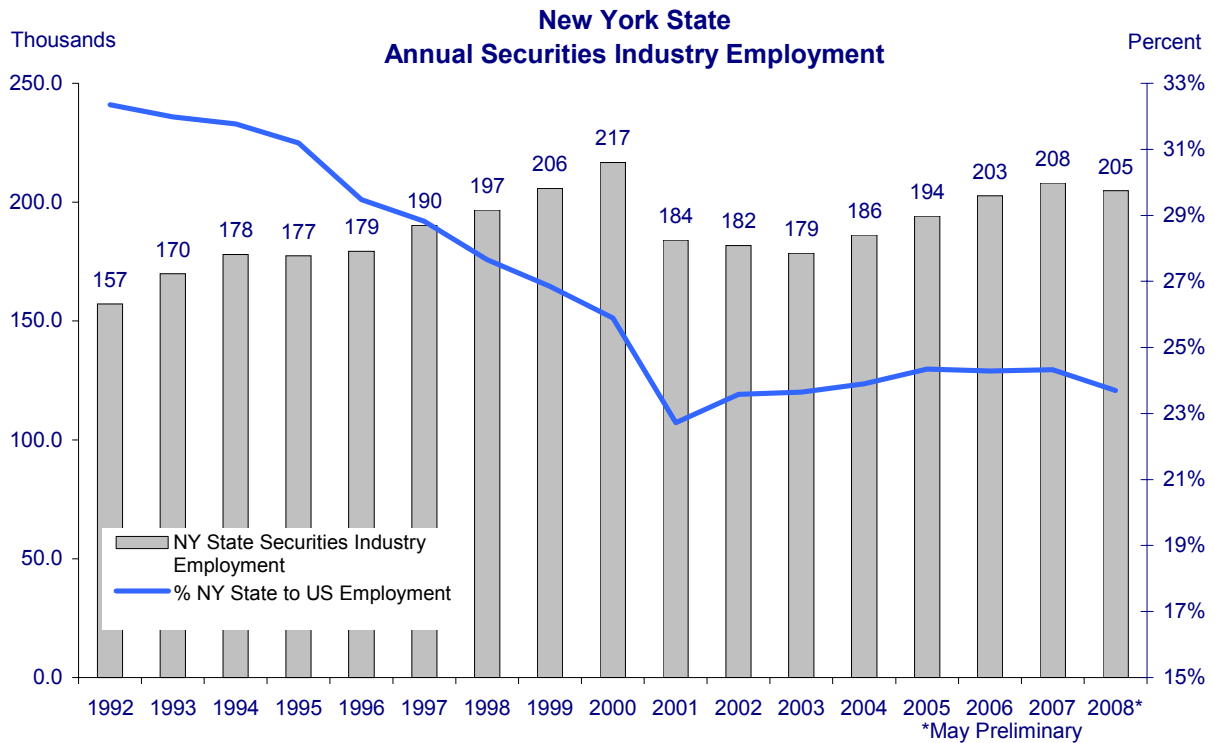
BLS estimated that securities industry headcount in New York State remained unchanged from April to May, at 204,900 positions. For the first quarter of 2008 as a whole, New York State securities industry employment decreased from the previous quarter by 2,600 jobs, or 1.2 percent, but was 1.7 percent above the first quarter 2007.

For the year through May, the securities industry lost 3,200 jobs in New York State, decreasing headcount by 1.5 percent.



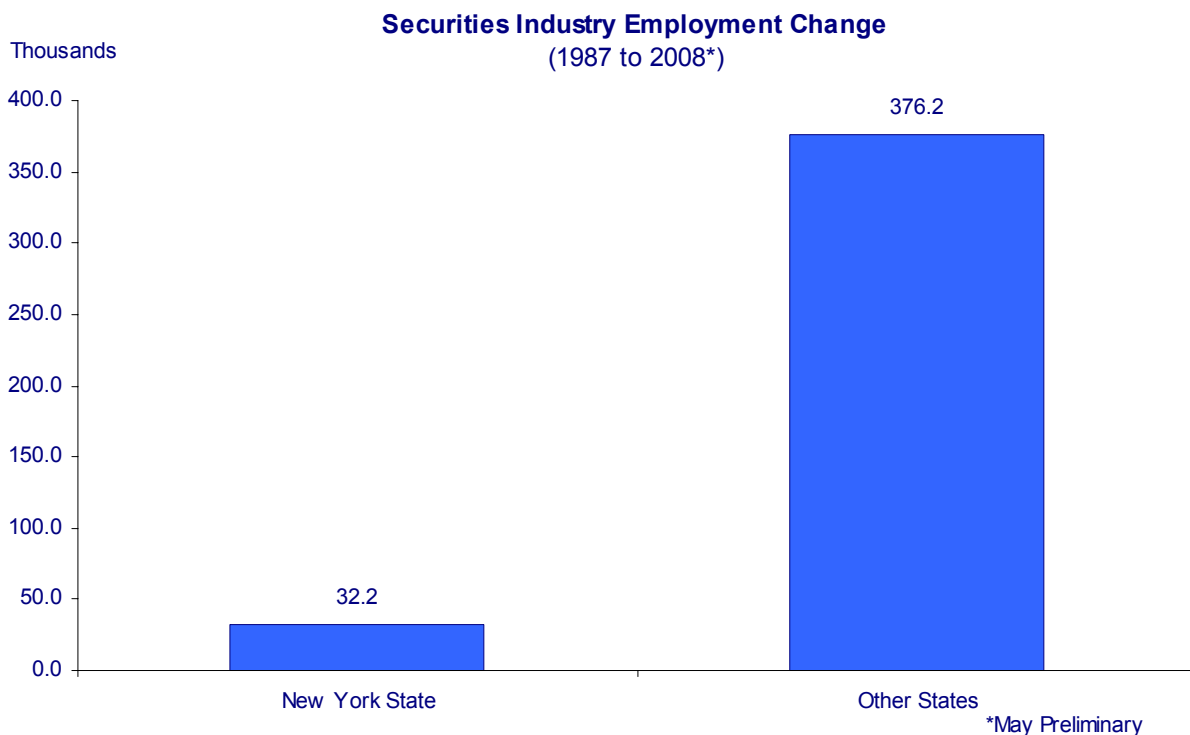
Source: BLS

The May 2008 securities industry headcount of 204,900 jobs in New York State was 5.4 percent below the monthly peak of 216,700 reached in December 2000. The 28-month job recession that followed the 2000 peak reduced the industry's headcount by 19.5 percent, or 42,200 jobs, before ending in April 2003 at an employment level of 174,500. Since then, employment in the securities industry in New York had steadily increased, peaking in July 2007 at 213,000 jobs. By the end of May 2008, New York State added 30,400 industry jobs since the April 2003 low point, regaining 72.0 percent of the jobs lost during the industry's recession.



Source: BLS (Year-end data)

After decades of decline, New York State's share of the national securities industry's workforce had been increasing since 2001. The latest available BLS figures show that in May, New York State accounted for 23.7 percent of national securities industry jobs, a decrease from 2007 year-end (24.3 percent). The 32,200 new securities industry jobs created in the state since the 1987 stock market crash is equivalent to only 8.6 percent of the 376,200 security industry jobs created in the other 49 states combined.

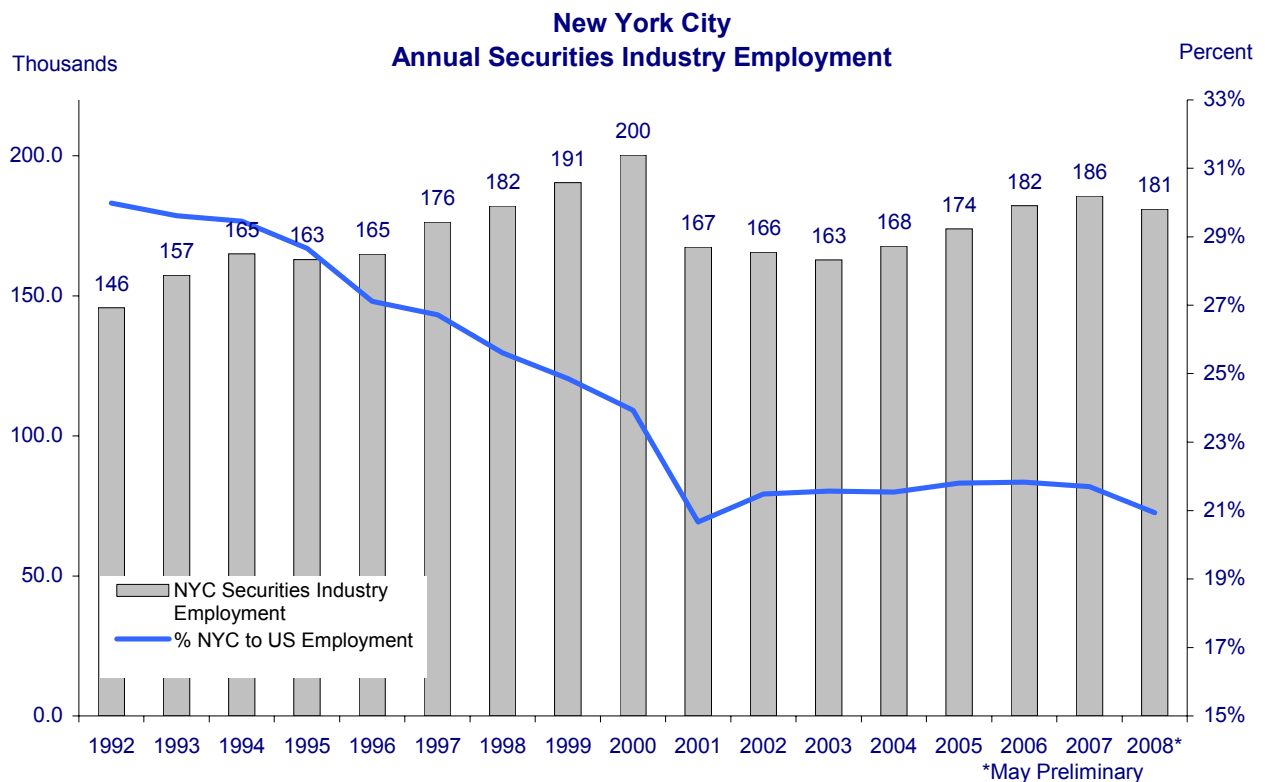


Source: BLS

New York City Employment

According to BLS data, New York City's securities industry employment decreased by 0.3 percent in May from April's level. The securities industry's headcount in New York City was 181,000 at end-May, a decline of 600 jobs compared to the prior month's level. For the first quarter 2008, New York City securities industry employment decreased from the previous quarter by 3,400 jobs, or 1.8 percent, and was 0.5 percent above the first quarter 2007 level. Year-through-May, the securities industry shed 5,100 jobs in New York City compared to the addition of 200 jobs during the same year-earlier period.

As of end-May, New York City regained 22,000 jobs, or 53.3 percent of the 41,300 jobs lost between the peak of 200,300 in December 2000 and the trough of 159,000 in April 2003. The jobs gained over the past 61 months represent a 13.8 percent increase of New York City securities industry employment. Industry employment in New York City had been trending upward, although it remains 9.6 percent below its peak level in December 2000. Ten years ago, New York City accounted for 25.9 percent of nationwide securities jobs compared with 20.9 percent at end-May.



Source: BLS (Year-end data)

Sharon Sung
Research Associate
ssung@sifma.org

SECURITIES INDUSTRY EMPLOYMENT
February 2000 - May 2008

Date	One month net change			% One month net change		
	US	NYS	NYC	US	NYS	NYC
Feb-00	6.5	1.0	0.7	0.85%	0.49%	0.37%
Mar-00	5.6	0.3	0.0	0.72%	0.15%	0.00%
Apr-00	5.4	0.7	0.8	0.69%	0.34%	0.42%
May-00	6.1	0.8	0.8	0.78%	0.39%	0.42%
Jun-00	12.6	5.3	5.6	1.59%	2.56%	2.92%
Jul-00	8.9	2.6	2.0	1.11%	1.22%	1.01%
Aug-00	6.4	0.5	0.2	0.79%	0.23%	0.10%
Sep-00	4.9	-1.9	-2.2	0.60%	-0.88%	-1.10%
Oct-00	2.3	2.0	1.6	0.28%	0.94%	0.81%
Nov-00	5.6	-0.7	0.1	0.68%	-0.32%	0.05%
Dec-00	4.9	1.5	1.2	0.59%	0.70%	0.60%
Jan-01	-2.9	-2.1	-3.3	-0.35%	-0.97%	-1.65%
Feb-01	3.5	-0.3	-0.5	0.42%	-0.14%	-0.25%
Mar-01	3.4	0.2	0.4	0.41%	0.09%	0.20%
Apr-01	-4.2	-3.0	-3.0	-0.50%	-1.40%	-1.52%
May-01	-2.8	-0.4	-0.4	-0.33%	-0.19%	-0.21%
Jun-01	4.9	3.3	3.3	0.59%	1.56%	1.71%
Jul-01	-8.7	-0.9	-1.0	-1.04%	-0.42%	-0.51%
Aug-01	7.4	-1.6	-1.4	0.89%	-0.75%	-0.72%
Sep-01	-11.2	-3.7	-3.2	-1.34%	-1.75%	-1.65%
Oct-01	-7.5	-25.5	-25.3	-0.91%	-12.25%	-13.23%
Nov-01	2.1	1.3	1.5	0.26%	0.71%	0.90%
Dec-01	-10.7	0.1	0.0	-1.30%	0.05%	0.00%
Jan-02	-6.8	6.2	6.5	-0.84%	3.37%	3.88%
Feb-02	-2.3	-1.1	-1.0	-0.29%	-0.58%	-0.58%
Mar-02	-2.4	-1.7	-1.5	-0.30%	-0.90%	-0.87%
Apr-02	1.0	-1.9	-2.3	0.13%	-1.01%	-1.34%
May-02	-4.4	-0.7	-0.6	-0.55%	-0.38%	-0.35%
Jun-02	2.8	2.1	2.2	0.35%	1.14%	1.31%
Jul-02	-5.4	1.6	1.4	-0.68%	0.86%	0.82%
Aug-02	-5.7	-1.7	-1.5	-0.72%	-0.90%	-0.87%
Sep-02	-7.0	-4.2	-3.9	-0.89%	-2.25%	-2.29%
Oct-02	-6.0	0.2	0.0	-0.77%	0.11%	0.00%
Nov-02	-1.5	-1.3	-1.2	-0.19%	-0.71%	-0.72%
Dec-02	-1.8	0.1	0.1	-0.23%	0.06%	0.06%
Jan-03	-2.0	-3.9	-3.2	-0.26%	-2.15%	-1.93%
Feb-03	-2.9	-1.5	-1.6	-0.38%	-0.84%	-0.99%
Mar-03	-4.8	-1.1	-1.1	-0.63%	-0.62%	-0.68%
Apr-03	-2.9	-0.7	-0.7	-0.38%	-0.40%	-0.44%
May-03	-3.8	0.3	0.3	-0.50%	0.17%	0.19%
Jun-03	4.3	1.8	1.8	0.57%	1.03%	1.13%
Jul-03	0.2	3.0	2.9	0.03%	1.70%	1.80%
Aug-03	-3.8	-0.1	-0.2	-0.50%	-0.06%	-0.12%
Sep-03	-3.4	-2.9	-2.5	-0.45%	-1.62%	-1.53%
Oct-03	-0.6	-0.7	-1.0	-0.08%	-0.40%	-0.62%
Nov-03	2.7	0.8	0.7	0.36%	0.45%	0.44%
Dec-03	1.6	1.9	1.9	0.21%	1.08%	1.18%
Jan-04	-1.2	-0.7	-1.4	-0.16%	-0.39%	-0.86%
Feb-04	3.2	0.6	0.6	0.42%	0.34%	0.37%
Mar-04	-0.7	0.3	0.3	-0.09%	0.17%	0.19%
Apr-04	-0.5	-0.2	-0.3	-0.07%	-0.11%	-0.18%
May-04	2.8	0.2	0.1	0.37%	0.11%	0.06%
Jun-04	9.3	3.6	3.4	1.23%	2.01%	2.10%
Jul-04	4.4	3.5	3.2	0.57%	1.92%	1.93%
Aug-04	-0.3	-0.6	-0.6	-0.04%	-0.32%	-0.36%
Sep-04	-2.0	-3.5	-3.4	-0.26%	-1.89%	-2.02%
Oct-04	3.1	1.7	0.7	0.40%	0.94%	0.42%
Nov-04	1.2	0.3	0.1	0.16%	0.16%	0.06%
Dec-04	4.5	2.4	2.2	0.58%	1.31%	1.33%
Jan-05	-1.2	-1.5	-2.6	-0.15%	-0.81%	-1.55%
Feb-05	4.0	0.4	0.3	0.51%	0.22%	0.18%
Mar-05	1.2	0.1	0.2	0.15%	0.05%	0.12%
Apr-05	-2.9	0.3	1.3	-0.37%	0.16%	0.78%
May-05	-1.2	-0.4	-0.5	-0.15%	-0.22%	-0.30%
Jun-05	3.4	4.3	4.0	0.44%	2.32%	2.40%
Jul-05	2.6	4.2	3.8	0.33%	2.22%	2.23%
Aug-05	3.4	0.7	0.5	0.43%	0.36%	0.29%
Sep-05	-1.3	-3.8	-3.7	-0.16%	-1.96%	-2.12%
Oct-05	6.4	0.8	0.5	0.81%	0.42%	0.29%
Nov-05	3.4	0.8	0.6	0.43%	0.42%	0.35%
Dec-05	0.6	2.0	1.7	0.08%	1.04%	0.99%
Jan-06	0.8	-1.3	-1.0	0.10%	-0.67%	-0.58%
Feb-06	6.4	1.2	1.1	0.80%	0.62%	0.64%
Mar-06	3.9	0.6	0.7	0.48%	0.31%	0.40%
Apr-06	2.3	-0.2	-0.3	0.28%	-0.10%	-0.17%
May-06	0.8	0.7	0.7	0.10%	0.36%	0.40%
Jun-06	2.0	4.9	4.9	0.25%	2.51%	2.80%
Jul-06	6.7	3.8	3.4	0.82%	1.90%	1.89%
Aug-06	3.0	0.9	1.0	0.37%	0.44%	0.55%
Sep-06	1.3	-4.0	-3.7	0.16%	-1.95%	-2.01%
Oct-06	8.4	0.4	0.1	1.02%	0.20%	0.06%
Nov-06	2.9	1.0	1.0	0.35%	0.50%	0.55%
Dec-06	-1.4	0.6	0.4	-0.17%	0.30%	0.22%
Jan-07	-0.4	-1.7	-1.2	-0.05%	-0.84%	-0.66%
Feb-07	3.6	0.8	0.6	0.43%	0.40%	0.33%
Mar-07	2.9	0.3	0.2	0.35%	0.15%	0.11%
Apr-07	-2.2	0.7	0.2	-0.26%	0.35%	0.11%
May-07	4.4	0.5	0.4	0.52%	0.25%	0.22%
Jun-07	7.3	5.6	5.1	0.87%	2.75%	2.80%
Jul-07	2.3	4.1	4.0	0.27%	1.96%	2.13%
Aug-07	1.3	-0.1	0.3	0.15%	-0.05%	0.16%
Sep-07	-0.9	-4.2	-3.9	-0.11%	-1.97%	-2.03%
Oct-07	3.0	-0.1	-0.2	0.35%	-0.05%	-0.11%
Nov-07	3.5	-0.4	-0.5	0.41%	-0.19%	-0.27%
Dec-07	-3.7	-0.1	-1.5	-0.43%	-0.05%	-0.80%
Jan-08	-0.4	-2.5	-1.8	-0.05%	-1.20%	-0.97%
Feb-08	6.1	1.0	0.0	0.71%	0.49%	0.00%
Mar-08	5.0	-1.1	-1.2	0.58%	-0.53%	-0.65%
Apr-08	0.6	0.0	-0.4	0.07%	0.00%	-0.22%
May-08	0.0	0.0	0.0	0.00%	0.00%	0.00%

Source: BLS

SECURITIES INDUSTRY EMPLOYMENT
(in thousands; SIC Codes US and NY thru 1991, NAICS 92 on)

Year End	U.S.	Change From Prior Year (U.S.)	N.Y. State	Change From Prior Year (N.Y. State)	N.Y. State as % of U.S.	N.Y. City	Change From Prior Year (N.Y. City)	N.Y. City as % of N.Y. State	N.Y. City as % of U.S.
1973	182.1	-9.6%	77.4	-15.1%	42.5%	74.5	-15.0%	96.3%	40.9%
1974	167.1	-8.2%	69.0	-10.9%	41.3%	66.1	-11.3%	95.8%	39.6%
1975	171.3	2.5%	69.4	0.6%	40.5%	67.0	1.4%	96.5%	39.1%
1976	177.4	3.6%	72.8	4.9%	41.0%	70.1	4.6%	96.3%	39.5%
1977	183.4	3.4%	73.3	0.7%	40.0%	70.2	0.1%	95.8%	37.3%
1978	194.3	5.9%	77.0	5.0%	39.6%	73.7	5.0%	95.7%	37.9%
1979	214.2	10.2%	82.1	6.6%	38.3%	78.4	6.4%	95.5%	36.6%
1980	243.7	13.8%	94.8	15.5%	38.9%	90.0	14.8%	94.9%	36.9%
1981	267.0	9.6%	105.0	10.8%	39.3%	99.6	10.7%	94.9%	37.3%
1982	283.8	6.3%	108.9	3.7%	38.4%	102.7	3.1%	94.3%	36.2%
1983	328.3	15.7%	125.0	14.8%	38.1%	117.5	14.4%	94.0%	35.8%
1984	341.1	3.9%	129.2	3.4%	37.9%	121.7	3.6%	94.2%	35.7%
1985	367.5	7.7%	137.6	6.5%	37.4%	130.0	6.8%	94.5%	35.4%
1986	417.1	13.5%	157.1	14.2%	37.7%	148.8	14.5%	94.7%	35.7%
1987	456.3	9.4%	172.7	9.9%	37.8%	163.0	9.5%	94.4%	35.7%
1988	438.7	-3.9%	160.3	-7.2%	36.5%	150.4	-7.7%	93.8%	34.3%
1989	426.9	-2.7%	154.1	-3.9%	36.1%	144.0	-4.3%	93.4%	33.3%
1990	417.4	-2.2%	143.5	-6.9%	34.4%	133.9	-7.0%	93.3%	32.1%
1991	424.1	1.6%	139.5	-2.8%	32.9%	129.6	-3.2%	92.9%	30.6%
1992	485.9	14.6%	157.2	12.7%	32.4%	145.7	12.4%	92.7%	30.0%
1993	531.5	9.4%	170.0	8.1%	32.0%	157.4	8.0%	92.6%	29.6%
1994	560.2	5.4%	178.0	4.7%	31.8%	165.0	4.8%	92.7%	29.5%
1995	568.8	1.5%	177.4	-0.3%	31.2%	163.0	-1.2%	91.9%	28.7%
1996	608.3	6.9%	179.3	1.1%	29.5%	164.9	1.2%	92.0%	27.1%
1997	659.9	8.5%	190.2	6.1%	28.8%	176.3	6.9%	92.7%	26.7%
1998	711.0	7.7%	196.7	3.4%	27.7%	182.1	3.3%	92.6%	25.6%
1999	766.4	7.8%	205.8	4.6%	26.9%	190.5	4.6%	92.6%	24.9%
2000	836.9	9.2%	216.7	5.3%	25.9%	200.3	5.1%	92.4%	23.9%
2001	810.2	-3.2%	184.1	-15.0%	22.7%	167.4	-16.4%	90.9%	20.7%
2002	770.7	-4.9%	181.7	-1.3%	23.6%	165.6	-1.1%	91.1%	21.5%
2003	755.3	-2.0%	178.6	-1.7%	23.6%	162.9	-1.6%	91.2%	21.6%
2004	779.1	3.2%	186.2	4.3%	23.9%	167.8	3.0%	90.1%	21.5%
2005	797.5	2.4%	194.1	4.2%	24.3%	173.9	3.6%	89.6%	21.8%
2006	834.6	4.7%	202.7	4.4%	24.3%	182.2	4.8%	89.9%	21.8%
2007	855.7	2.5%	208.1	2.7%	24.3%	186.1	2.1%	89.4%	21.7%
Jan:06	798.3	2.6%	192.8	4.4%	24.2%	172.9	4.7%	89.7%	21.7%
Feb:06	804.7	2.9%	194.0	4.8%	24.1%	174.0	5.1%	89.7%	21.6%
Mar:06	808.6	3.3%	194.6	5.1%	24.1%	174.7	5.4%	89.8%	21.6%
Apr:06	810.9	3.9%	194.4	4.8%	24.0%	174.4	4.4%	89.7%	21.5%
May:06	811.7	4.2%	195.1	5.4%	24.0%	175.1	5.2%	89.7%	21.6%
June:06	813.7	4.0%	200.0	5.6%	24.6%	180.0	5.6%	90.0%	22.1%
July:06	820.4	4.5%	203.8	5.3%	24.8%	183.4	5.2%	90.0%	22.4%
Aug:06	823.4	4.4%	204.7	5.4%	24.9%	184.4	5.5%	90.1%	22.4%
Sept:06	824.7	4.8%	200.7	5.4%	24.3%	180.7	5.6%	90.0%	21.9%
Oct:06	833.1	5.0%	201.1	5.1%	24.1%	180.8	5.4%	89.9%	21.7%
Nov:06	836.0	4.9%	202.1	5.2%	24.2%	181.8	5.6%	90.0%	21.7%
Dec:06	834.6	4.7%	202.7	4.4%	24.3%	182.2	4.8%	89.9%	21.8%
Jan:07	834.2	4.5%	201.0	4.3%	24.1%	181.0	4.7%	90.0%	21.7%
Feb:07	837.8	4.1%	201.8	4.0%	24.1%	181.6	4.4%	90.0%	21.7%
Mar:07	840.7	4.0%	202.1	3.9%	24.0%	181.8	4.1%	90.0%	21.6%
Apr:07	838.5	3.4%	202.8	4.3%	24.2%	182.0	4.4%	89.7%	21.7%
May:07	842.9	3.8%	203.3	4.2%	24.1%	182.4	4.2%	89.7%	21.6%
June:07	850.2	4.5%	208.9	4.5%	24.6%	187.5	4.2%	89.8%	22.1%
July:07	852.5	3.9%	213.0	4.5%	25.0%	191.5	4.4%	89.9%	22.5%
Aug:07	853.8	3.7%	212.9	4.0%	24.9%	191.8	4.0%	90.1%	22.5%
Sept:07	852.9	3.4%	208.7	4.0%	24.5%	187.9	4.0%	90.0%	22.0%
Oct:07	855.9	2.7%	208.6	3.7%	24.4%	187.7	3.8%	90.0%	21.9%
Nov:07	859.4	2.8%	208.2	3.0%	24.2%	187.2	3.0%	89.9%	21.8%
Dec:07	855.7	2.5%	208.1	2.7%	24.3%	185.7	1.9%	89.2%	21.7%
Jan:08	855.3	2.5%	205.6	2.3%	24.0%	183.9	1.6%	89.4%	21.5%
Feb:08	861.4	2.8%	206.6	2.4%	24.0%	183.9	1.3%	89.0%	21.3%
Mar:08	866.4	3.1%	205.5	1.7%	23.7%	182.7	0.5%	88.9%	21.1%
Apr:08	867.0	3.4%	204.9	1.0%	23.6%	181.6	-0.2%	88.6%	20.9%
May:08*	864.7	2.6%	204.9	0.8%	23.7%	181.0	-0.8%	88.3%	20.9%

*Preliminary

Sources: U.S. Department of Labor, Bureau of Labor Statistics; New York State Department of Labor