

Orlando MSA Market Update



ORLANDO
ECONOMIC PARTNERSHIP
NATIONAL CHAMBER
OF THE YEAR



*All data represent most recent available as of August 28th, 2024
Pictured: BNY - Newly Constructed Workspaces in Lake Mary*

August 2024



Sales activity in Orlando was **broadly flat** in July, likely a result of both weakening consumer finances and easing inflation.

The region added 2,000 jobs in July to bring **total gains in the last year to 27,100**. After a slowdown in early 2024, job growth is again outpacing the nation and in most sectors.

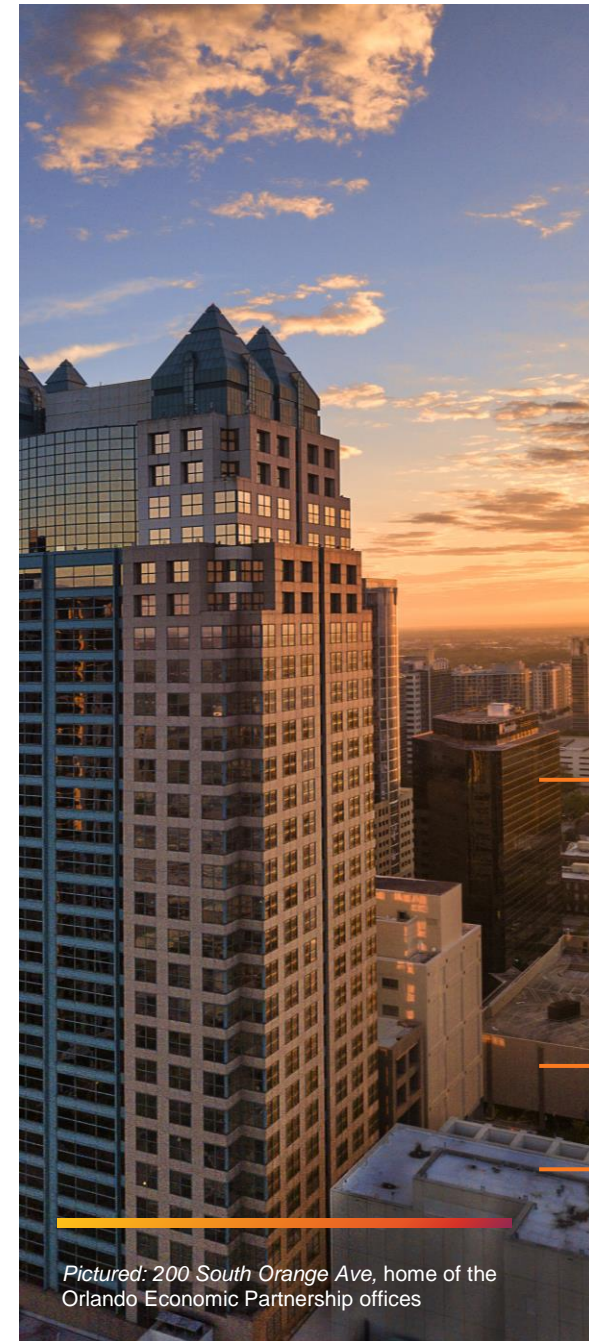
Unemployment increased for the third consecutive month in July as the **labor market continues to normalize**. Companies are taking less time to fill open roles and are being less aggressive on wages.

The **housing market** is hoping for a decline in mortgage rates to jumpstart demand after sales and prices both faltered during the summer.

Cruise passenger volume at **Port Canaveral** is on pace to reach a record high in FY 2024 with more homeported ships, new cruise lines, and newer, larger ships.

U.S. economic growth in 2024 is forecast to be around 2.5% - the same as in 2023 - but may **slow** in 2025 as households cut spending in a less vibrant labor market.

Orlando businesses should continue to **seek local growth opportunities** to offset what may be a period of modest, sub-par growth nationally.



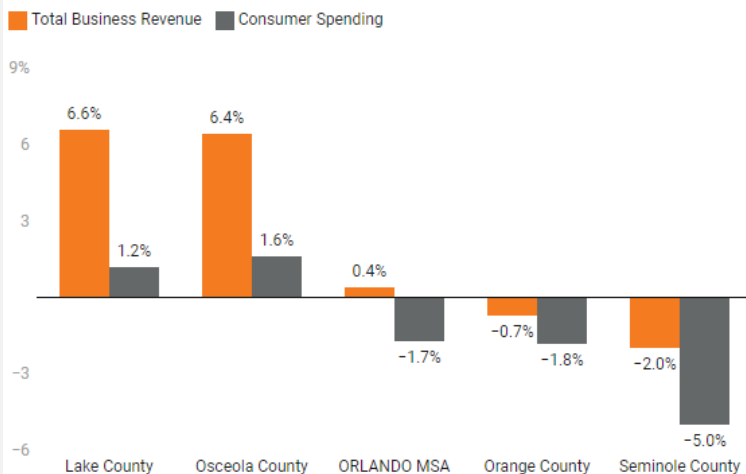
Pictured: 200 South Orange Ave, home of the Orlando Economic Partnership offices

SALES ACTIVITY

The latest [sales data](#) suggest business revenue expanded by just 0.4% in July, with consumer-facing sectors in particular facing headwinds. A deterioration in household finances is likely to be the main driver, although easing inflation may also be a factor.

Gross Sales by County, Orlando MSA

% Change, Jul 2023 - Jul 2024

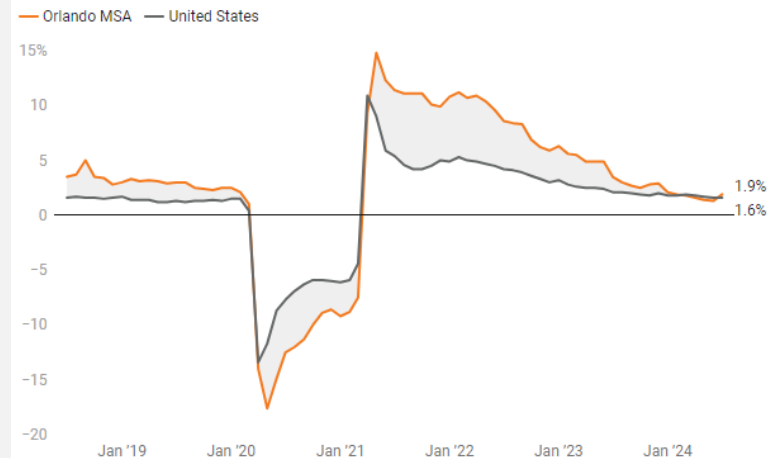


PAYROLL EMPLOYMENT

The region added a net gain of 27,100 [jobs](#) in the year ending July 2024. Growth is again outpacing the nation following the addition of 2,000 jobs in July and downward revisions to national data earlier in 2024.

Payroll Employment

Y/Y % Change, Not Seasonally Adjusted, Through Jul 2024

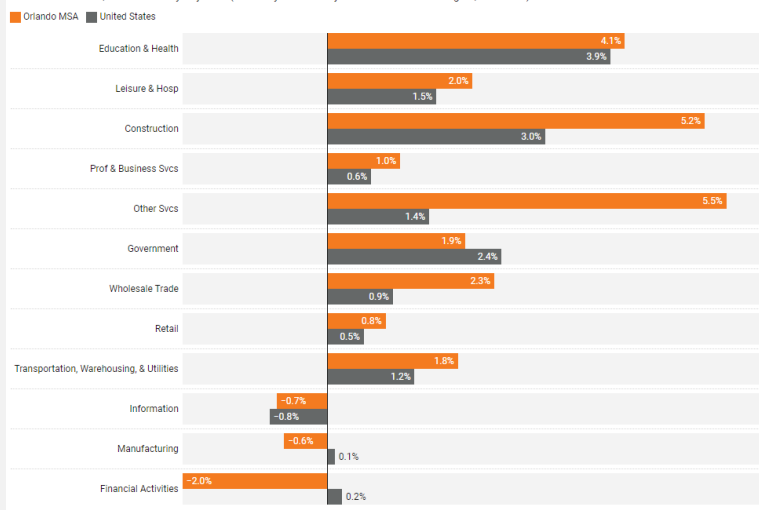


JOB GROWTH BY SECTOR

The region's tourism and healthcare sectors continue to be key sources of [job growth](#) in the region, even as growth now eases in each. All but two local sectors – finance and manufacturing – are currently outpacing their national counterparts in year-over-year job growth.

Job Growth by Sector

Jul 2023 - Jul 2024, Not Seasonally Adjusted (sorted by number of jobs added in Orlando region, most first)

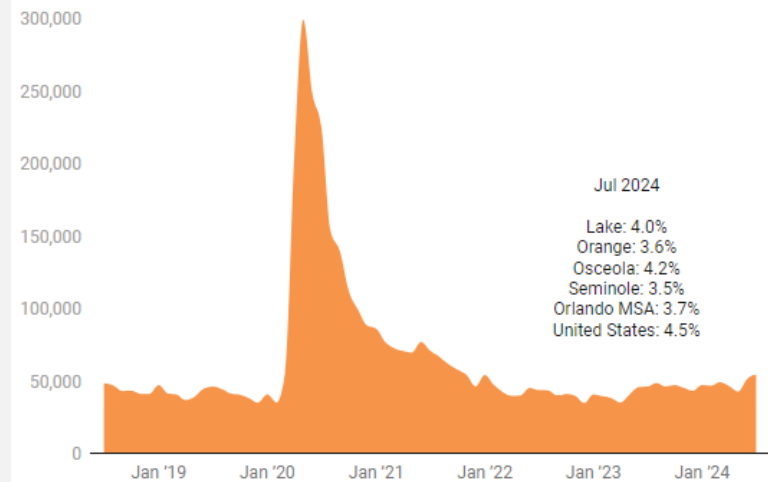


UNEMPLOYMENT

[Unemployment](#) increased in July for the third consecutive month, rising in absolute terms to its highest level since October 2021. However, at 3.7%, the region's unemployment rate (as well as those of all local counties) remains far below the national rate of 4.5%.

Unemployment, Orlando MSA

Jul 2018 - Jul 2024, Not Seasonally Adjusted

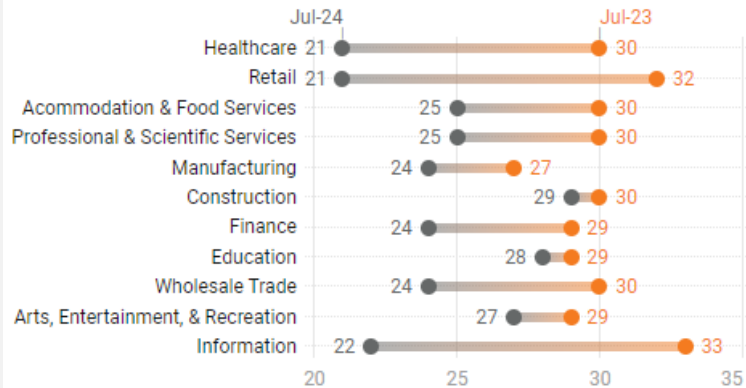


JOB POSTINGS

A softening labor market appears to be resulting in companies finding it easier to fill [open roles](#). Companies are also pulling back on wages: the median advertised wage across job postings declined nominally in July from June.

Median Job Posting Duration by Sector, Orlando MSA

Days, Jul 2024 vs. Jul 2023

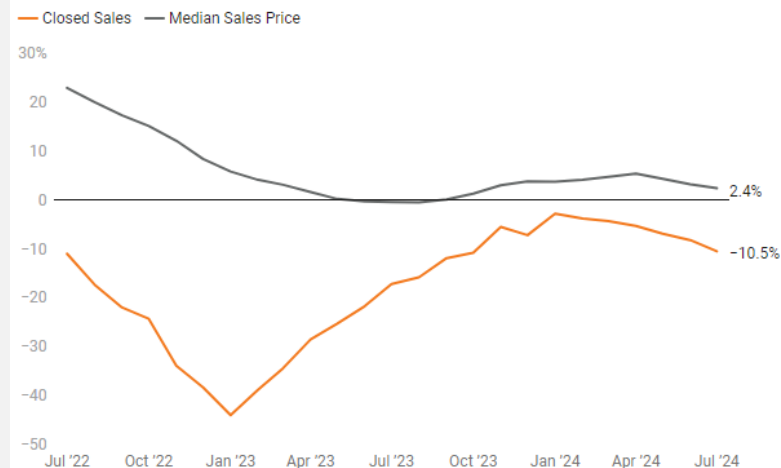


HOUSING MARKET

The increasing likelihood of a September decline in mortgage rates bodes well for the local [housing market](#). Sales and prices have both struggled to sustain their previous momentum through the summer.

Housing Market, Orlando MSA

Y/Y % Change, 3-Month Moving Average, Jul 2022 - Jul 2024

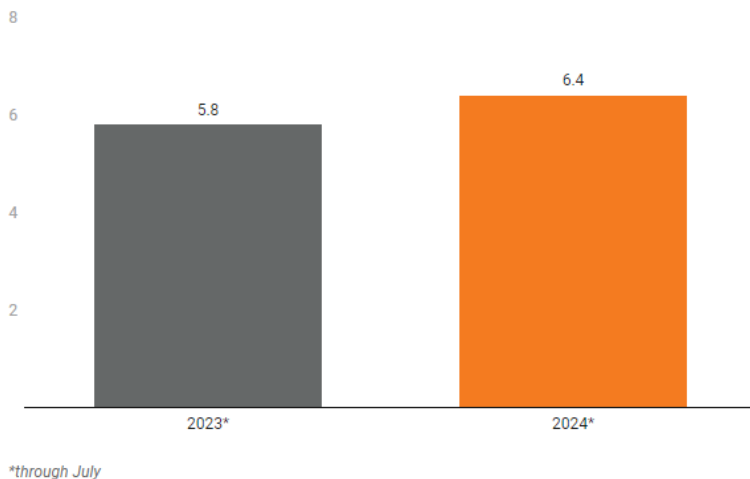


PORT CANAVERAL

With two months remaining, [Port Canaveral](#) is on pace to welcome a record 7.3 million cruise passengers in FY 2024. A wider rebound in cruise demand is being facilitated by new, larger ships replacing ships carrying slightly less passengers (Royal Caribbean's Utopia of the Seas replacing Allure of the Seas, for example).

Cruise Passengers, Port Canaveral

FY 2023 vs. FY 2024 (millions)

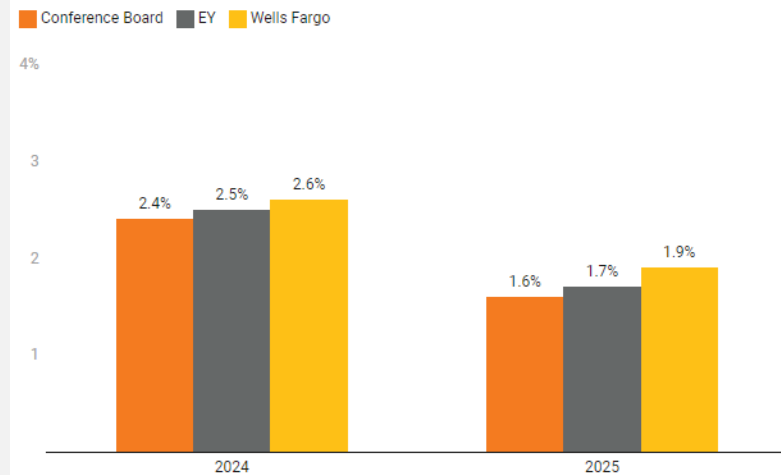


OUTLOOK

Economic growth in 2024 is now [forecast](#) to come in at around 2.5% following a better-than-expected performance in the first half of the year. However, faltering consumer spending and emerging weakness in the labor market is likely to see growth slow in the second half of the year and into 2025.

GDP Projections, U.S. Economy

Aug 2023



			Current Month	Month Earlier	Year Earlier	Monthly Change		Annual Change	
						Level	Percent	Level	Percent
Business Revenue	Total Sales¹	Jul-24	\$18.7 billion	\$17.4 billion	\$18.6 billion	\$1.3 billion	7.5%	\$77.7 million	0.4%
Consumer Spending	Florida Consumer Sentiment Index	Jul-24	74.4	73.2	66.8	1.2pp		7.6pp	
	Consumer Spending²	Jul-24	\$9.0 billion	\$8.7 billion	\$9.2 billion	\$339.7 million	3.9%	-\$153.6 million	-1.7%
Labor Market	Labor Force	Jul-24	1,482,138	1,481,131	1,485,139	1,007	0.1%	-3,001	-0.2%
	Employed	Jul-24	1,427,528	1,429,289	1,438,682	-1,761	-0.1%	-11,154	-0.8%
	Unemployed	Jul-24	54,610	51,842	46,457	2,768	5.3%	8,153	17.5%
	Unemployment Rate	Jul-24	3.7%	3.5%	3.1%	0.2pp		0.6pp	
	Average Weekly Wage	Jul-24	\$1,026.15	\$1,043.63	\$1,030.46	-\$17.48	-1.7%	-\$4.31	-0.4%
	Job Postings - New	Jul-24	25,464	24,409	28,680	1,055	4.3%	-3,216	-11.2%
	Job Postings - Total	Jul-24	63,846	60,042	81,435	3,804	6.3%	-17,589	-21.6%
	TOTAL	Jul-24	1,475,300	1,473,300	1,448,200	2,000	0.1%	27,100	1.9%
	Mining & Logging	Jul-24	300	300	300	0	0.0%	0	0.0%
	Construction	Jul-24	95,100	94,300	90,400	800	0.8%	4,700	5.2%
Payroll Employment	Manufacturing	Jul-24	52,600	52,800	52,900	-200	-0.4%	-300	-0.6%
	Wholesale Trade	Jul-24	53,800	55,400	52,600	-1,600	-2.9%	1,200	2.3%
	Retail	Jul-24	153,900	153,900	152,700	0	0.0%	1,200	0.8%
	Transportation, Warehousing & Utilities	Jul-24	62,600	62,200	61,500	400	0.6%	1,100	1.8%
	Information	Jul-24	27,000	26,700	27,200	300	1.1%	-200	-0.7%
	Financial Activities	Jul-24	89,400	89,800	91,200	-400	-0.4%	-1,800	-2.0%
	Professional & Business Services	Jul-24	286,100	285,700	283,200	400	0.1%	2,900	1.0%
	Education & Health Services	Jul-24	188,800	188,400	181,400	400	0.2%	7,400	4.1%
	Leisure & Hospitality	Jul-24	286,600	285,800	280,900	800	0.3%	5,700	2.0%
	Other Services	Jul-24	55,400	55,600	52,500	-200	-0.4%	2,900	5.5%
Real Estate	Government	Jul-24	123,700	122,400	121,400	1,300	1.1%	2,300	1.9%
	Closed Sales	Jul-24	2,652	2,601	2,852	51	2.0%	-200	-7.0%
	Median Price	Jul-24	\$390,000	\$395,000	\$380,000	-\$5,000	-1.3%	\$10,000	2.6%
	New Housing Units Authorized	Jul-24	1,905	2,700	1,891	-795	-29.4%	14	0.7%
Visitor Industry	Hotel Occupancy	Jun-24	72.9%	68.9%	74.0%	4.0pp		-1.1pp	
	Total Passengers - Orlando International Airport	Jul-24	4,927,462	4,934,880	5,015,610	-7,418	-0.2%	-88,148	-1.8%

¹preliminary²custom OEP aggregation; NOT a published statistic

ABOUT MARKET INTELLIGENCE AT THE ORLANDO ECONOMIC PARTNERSHIP

The OEP's Market Intelligence team combines economic data and local intelligence to understand the key trends impacting Orlando's economy. We do this by engaging with local businesses and by assessing the local impact of wider economic events - publishing updates on the regional economy, highlighting competitive advantages that help drive new investment into Orlando, and addressing areas of future strategic opportunity for the region. Our work helps companies, site selectors, and civic leaders make well-informed decisions about Orlando's growth and allows the OEP to be evidence-led and insight-driven in its pursuit of Broad-based Prosperity®.



ADD YOUR VOICE

Improve your understanding of the Orlando economy by participating in the **Orlando MSA Business Conditions Survey**.
www.orlando.org/survey

SIGN UP FOR EMAIL UPDATES [HERE](#)