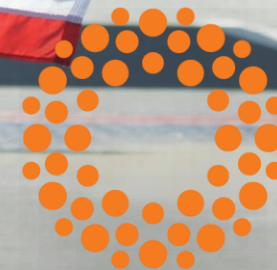


Orlando MSA Market Update



ORLANDO
ECONOMIC PARTNERSHIP
NATIONAL CHAMBER
OF THE YEAR



March 2024

All data represent most recent available as of March 27th, 2024
Pictured: U.S. Olympic Marathon Trials; courtesy of GO Sports



Growth in **consumer spending** in Orlando **softened** in early 2024 as consumers across the country began to pull back on spending.

Revised labor market data suggest the region added **42,000 jobs** in 2023 but seasonal job losses have slowed growth in the first few months of 2024.

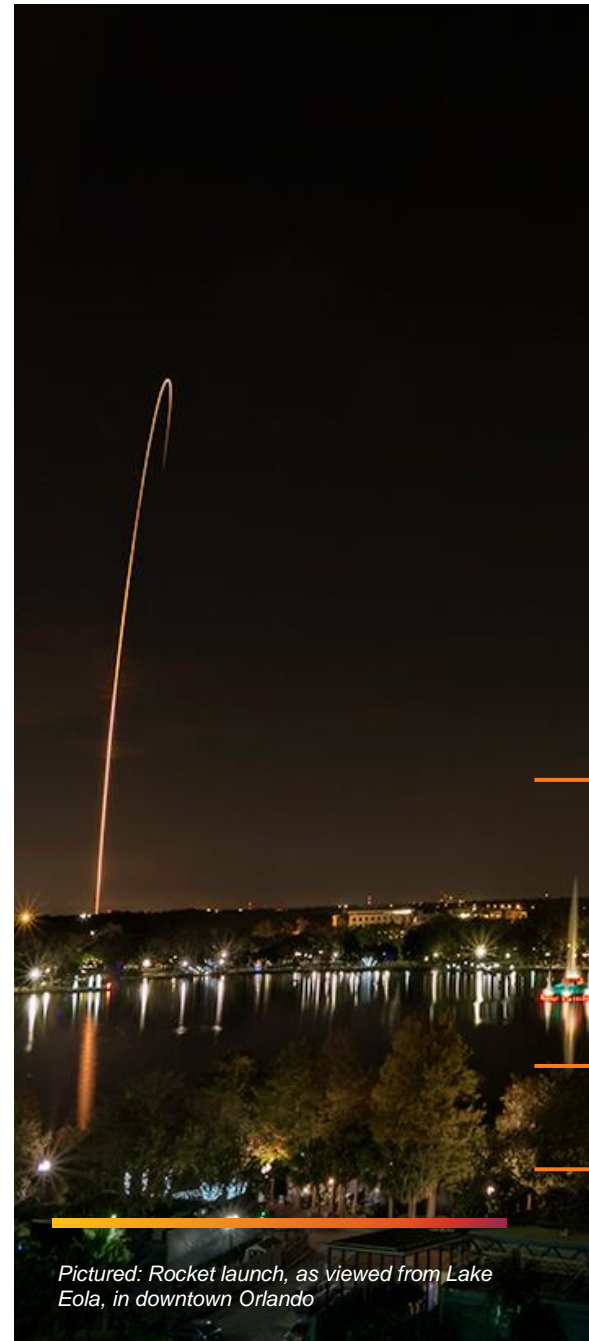
The region welcomed **55,000 new residents** in the year ending July 2023; ongoing population growth is resulting in **strong labor force growth** in all local counties.

The **housing market is beginning to emerge** from a challenging period ahead of the spring homebuying season.

A **first-quarter surge in business confidence** continued in March, with area employers again highlighting their recent strong performance.

Businesses are increasingly **targeting new clients** and moving away from defensive tactics such as **internal improvements** to cut costs.

Florida's economy may slow alongside the national economy in 2024, but growth in the local market should ensure ongoing opportunity for **Orlando businesses**.



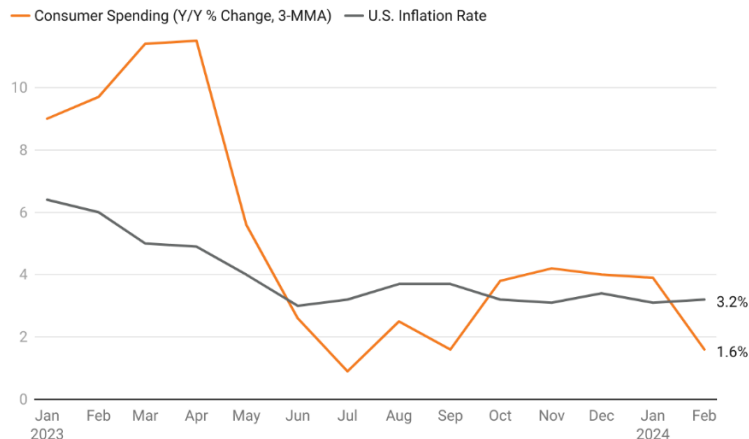
Pictured: Rocket launch, as viewed from Lake Eola, in downtown Orlando

SALES

The latest [sales data](#) suggest growth in consumer spending softened in early 2024, falling below inflation in February for the first time in six months. A pullback in spending has also been reported [nationally](#) following a sustained period of inflation.

Consumer Spending, Orlando MSA

Y/Y % Change, 3-MMA
Jan 2023 - Feb 2024

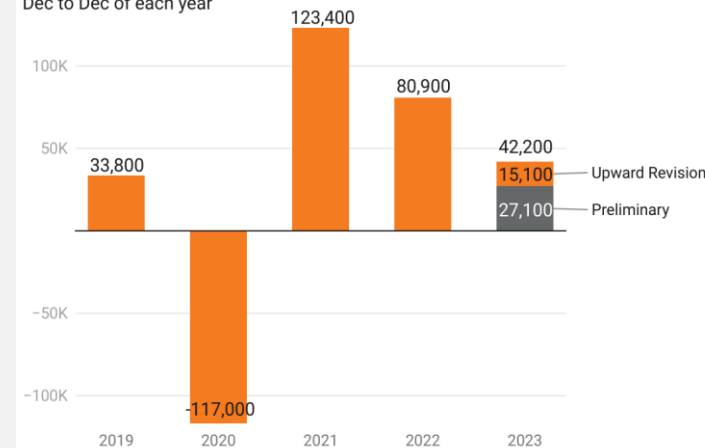


JOB GROWTH

Revised estimates suggest Orlando added 42,200 [jobs](#) in 2023, a significant increase from the 27,100 originally reported. The new numbers equate to an average of [116 new jobs per day](#) in 2023 and represent a return to pre-pandemic trends.

Net Gain in Payroll Employment, Orlando MSA

Not Seasonally Adjusted
Dec to Dec of each year

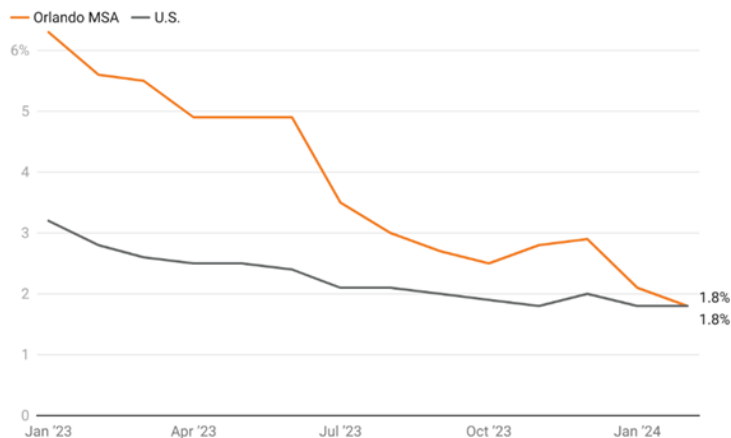


PAYROLL EMPLOYMENT

[Employment growth](#) in the Orlando region outperformed the nation throughout 2023. However, seasonal job losses in early 2024 have brought local growth back in line with the nation for the first time in several years. Retail and warehousing have collectively reported a net loss of over 10,000 jobs since December.

Payroll Employment

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



POPULATION GROWTH

The latest [population estimates](#) from the U.S. Census Bureau indicate the region added 55,000 new residents between July 2022 and July 2023 - the fourth highest of any region in the U.S. In percentage terms, Orlando was the [second fastest-growing large region](#) in the U.S. for the second consecutive year, with net migration again the driving force.

Population Growth, 30 Most Populous MSAs

Highest % Change in Population, July 1, 2022 - July 1, 2023

MSA	2022 Population*	2023 Population*	Numeric Change	% Change
1 Austin-Round Rock-San Marcos, TX	2,423,170	2,473,275	50,105	2.1%
2 Orlando-Kissimmee-Sanford, FL	2,763,017	2,817,933	54,916	2.0%
3 Dallas-Fort Worth-Arlington, TX	7,947,439	8,100,037	152,598	1.9%
4 Houston-Pasadena-The Woodlands, TX	7,370,464	7,510,253	139,789	1.9%
5 Charlotte-Concord-Gastonia, NC-SC	2,754,657	2,805,115	50,458	1.8%
6 San Antonio-New Braunfels, TX	2,655,928	2,703,999	48,071	1.8%
7 Tampa-St. Petersburg-Clearwater, FL	3,291,341	3,342,963	51,622	1.6%
8 Atlanta-Sandy Springs-Roswell, GA	6,238,676	6,307,261	68,585	1.1%
9 Phoenix-Mesa-Chandler, AZ	5,020,870	5,070,110	49,240	1.0%
10 Miami-Fort Lauderdale-West Palm Beach, FL	6,139,812	6,183,199	43,387	0.7%

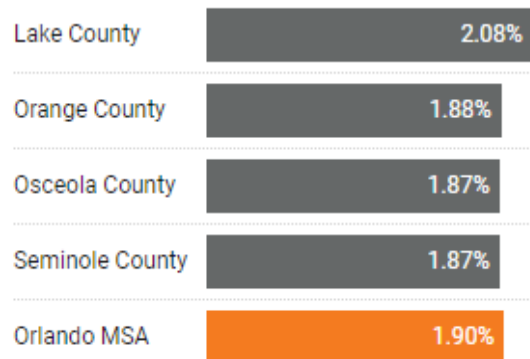
*July 1 estimate

LABOR FORCE

Population growth is resulting in ongoing expansion of the region's [labor force](#), which grew by 27,600 in the last year. Orange County reported the greatest absolute increase over the period - adding 15,175 new workers - while Lake has seen the greatest percentage increase.

Labor Force Growth by County

Y/Y % Change, Feb 2023 - Feb 2024, Not Seasonally Adjusted

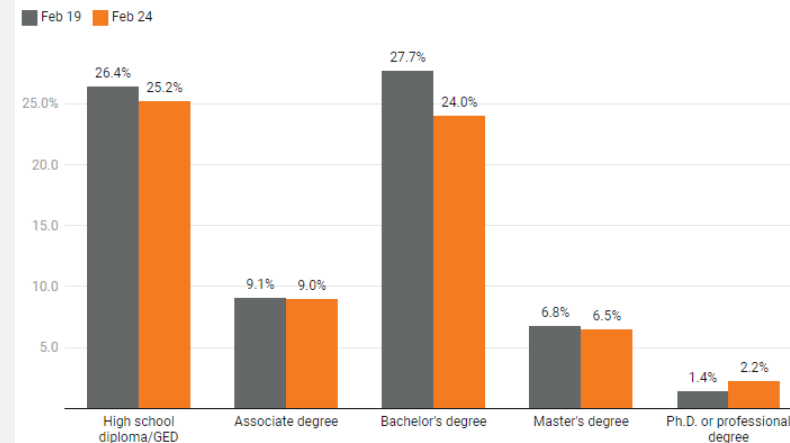


JOB POSTINGS

Employers appear to be reacting to historically low unemployment by loosening educational requirements. The percentage of [job postings](#) listing a Bachelor's degree as the minimum education requirement fell to less than one in four in February 2024.

Minimum Education Requirement as Percentage of Job Postings

Feb 2019 vs. Feb 2024

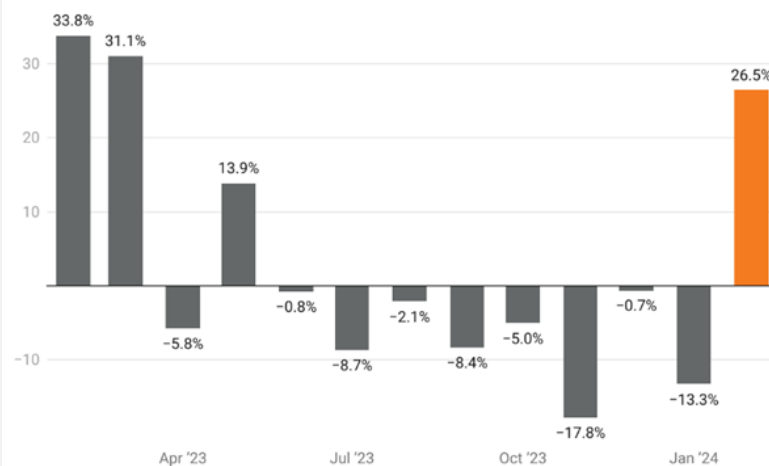


HOUSING

Monthly [home sales](#) increased in March for the first time in eight months as the housing market showed early signs of a rebound. Inventory and pending sales also rose as confidence returned to the market ahead of the spring homebuying season.

Home Sales, Orlando MSA

Monthly % Change

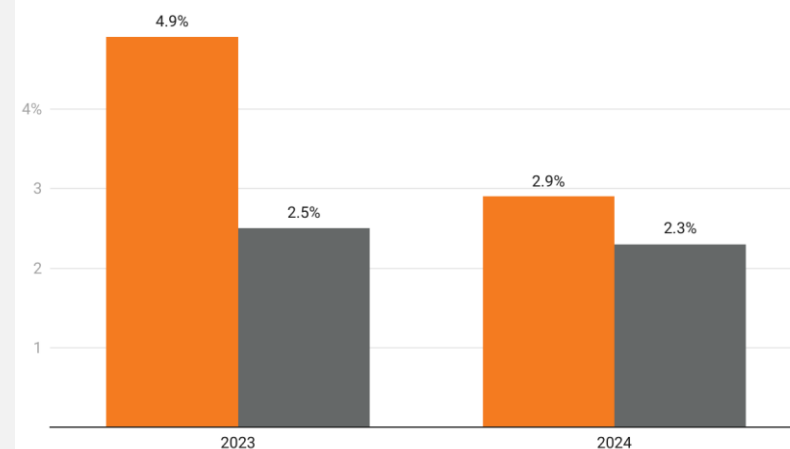


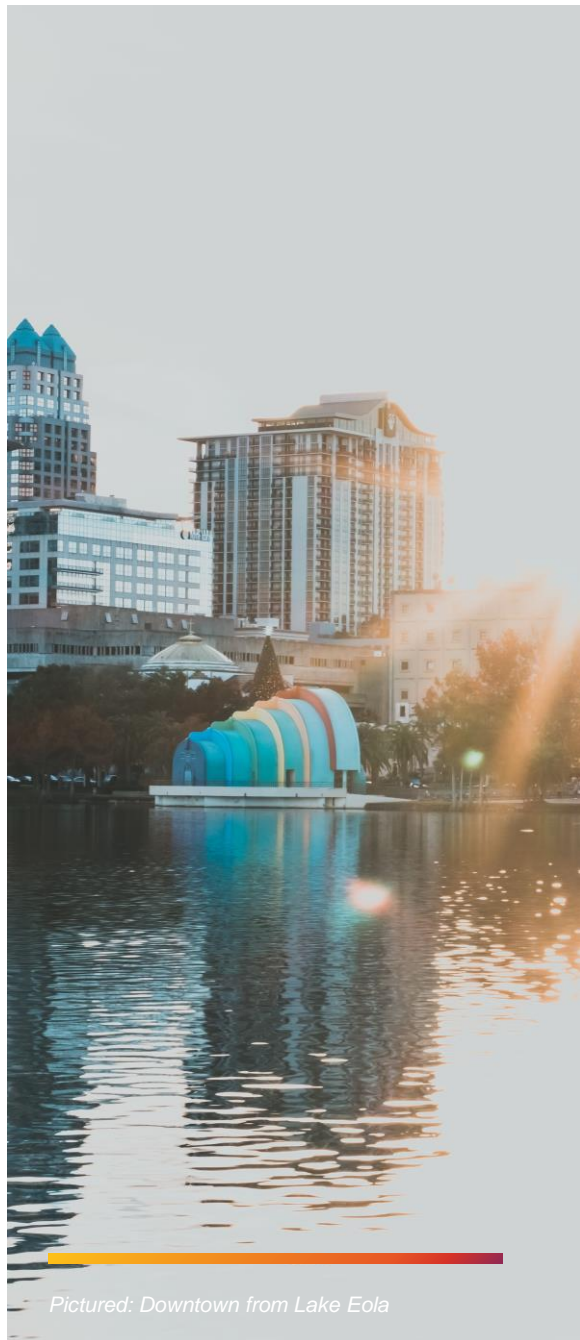
OUTLOOK

Florida's economy is [forecast](#) to slow in 2024, but the state will remain a regional economic leader and continue to outpace the nation. Employment is forecast to grow 2.1% (compared to 1.4% nationally) and unemployment will average just 3.5% (compared to 4.0%).

Percent Change in Real GDP

Florida U.S.





Pictured: Downtown from Lake Eola

PERFORMANCE & EXPECTATIONS

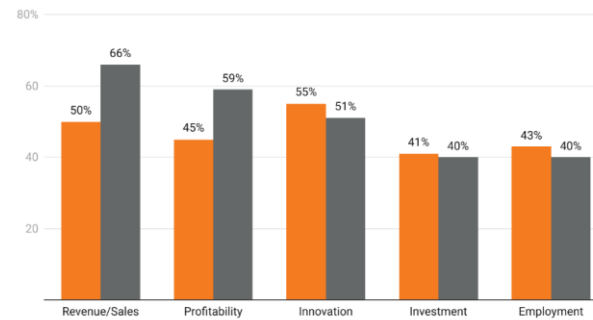
50% of businesses responding to the OEP's Orlando Business Conditions Survey in the three months ending March 2024 reported **increased revenue** and **66% project increased revenue** over the next three months. Hiring and investment intentions continue to be more muted as the impact of a period of economic uncertainty lingers.

The surge in confidence previously reported in January and February continued in March. 85% of respondents during the month indicated they believe their business will strengthen over the next three months, with one in four during the quarter citing their recent strong performance as the main reason for their outlook.

How has your business performed/how does your business expect to perform in the following areas?

3 months ending Mar 2024

Increased in the last 3 months Expect to increase in the next 3 months



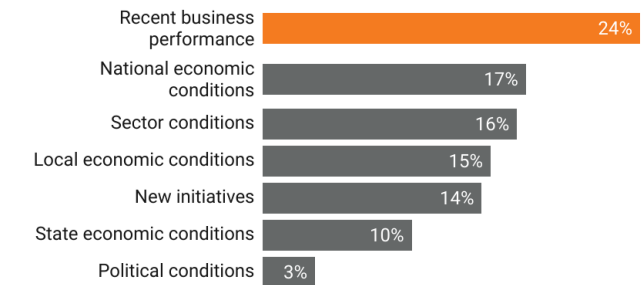
OPPORTUNITIES

Increased business confidence is prompting businesses to transition from defensive to proactive strategies.

A comparison of preliminary quarterly data suggests a much higher share of businesses in the first quarter of 2024 were looking to secure **new clients** than in the final quarter of 2023, while a much lower share were placing emphasis on **internal improvements** designed to reduce costs.

What is the main reason for your outlook for your own business?

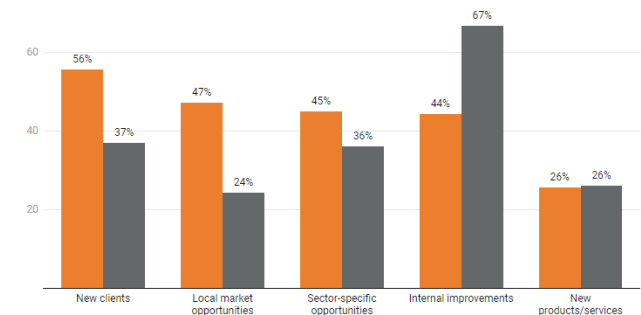
% of respondents, 3 months ending Mar 2024



What would you say are your company's biggest OPPORTUNITIES?

% of respondents referencing opportunity, Q4 2023 vs Q1 2024
Top 5 referenced opportunities in the 3 months ending in Mar 2024

2024 Q1 2023 Q4



			Current Month	Month Earlier	Year Earlier	Monthly Change		Annual Change	
						Level	Percent	Level	Percent
Business Revenue	Total Sales¹	Feb-24	\$16.9 billion	\$21.8 billion	\$17.5 billion	\$4.8 billion	-22.3%	\$550.3 million	-3.1%
Consumer Spending	Florida Consumer Sentiment Index	Feb-24	74.1	72.8	67.7	1.3pp		6.4pp	
	Consumer Spending²	Feb-24	\$8.4 billion	\$10.9 billion	\$8.7 billion	-\$2.6 billion	-23.6%	-\$312.3 million	-3.6%
Labor Market	Labor Force	Feb-24	1,478,950	1,477,296	1,451,350	1,654	0.1%	27,600	1.9%
	Employed	Feb-24	1,431,825	1,429,885	1,411,620	1,940	0.1%	20,205	1.4%
	Unemployed	Feb-24	47,125	47,411	39,730	-286	-0.6%	7,395	18.6%
	Unemployment Rate	Feb-24	3.2%	3.2%	2.7%	0.0pp		0.5pp	
	Average Weekly Wage	Feb-24	\$1,019.32	\$1,002.29	\$1,027.51	\$17.03	1.7%	-\$8.19	-0.8%
	Job Postings - New	Feb-24	20,307	22,305	24,370	-1,998	-9.0%	-4,063	-16.7%
	Job Postings - Total	Feb-24	55,448	51,245	70,510	4,203	8.2%	-15,062	-21.4%
	TOTAL	Feb-24	1,475,900	1,467,800	1,449,800	8,100	0.6%	26,100	1.8%
	Mining & Logging	Feb-24	300	300	200	0	0.0%	100	50.0%
Payroll Employment	Construction	Feb-24	90,400	89,700	89,300	700	0.8%	1,100	1.2%
	Manufacturing	Feb-24	52,200	52,200	52,000	0	0.0%	200	0.4%
	Wholesale Trade	Feb-24	55,100	54,500	51,700	600	1.1%	3,400	6.6%
	Retail	Feb-24	154,300	155,000	151,700	-700	-0.5%	2,600	1.7%
	Transportation, Warehousing & Utilities	Feb-24	61,900	62,700	62,200	-800	-1.3%	-300	-0.5%
	Information	Feb-24	27,100	26,900	27,000	200	0.7%	100	0.4%
	Financial Activities	Feb-24	89,700	90,200	90,300	-500	-0.6%	-600	-0.7%
	Professional & Business Services	Feb-24	283,200	281,300	282,600	1,900	0.7%	600	0.2%
	Education & Health Services	Feb-24	188,900	186,300	182,000	2,600	1.4%	6,900	3.8%
	Leisure & Hospitality	Feb-24	287,600	284,800	279,600	2,800	1.0%	8,000	2.9%
Real Estate	Other Services	Feb-24	53,300	53,400	52,200	-100	-0.2%	1,100	2.1%
	Government	Feb-24	131,900	130,500	129,000	1,400	1.1%	2,900	2.2%
	Closed Sales	Feb-24	2,174	1,719	2,240	455	26.5%	-66	-2.9%
	Median Price	Feb-24	\$377,000	\$360,000	\$358,000	\$17,000	4.7%	\$19,000	5.3%
Visitor Industry	New Housing Units Authorized	Feb-24	1,773	2,122	1,956	-349	-16.4%	-183	-9.4%
	Hotel Occupancy	Feb-24	79.8%	72.7%	82.1%	7.1pp		-2.3pp	
	Total Passengers - Orlando International Airport	Feb-24	4,791,753	4,881,482	4,418,366	-89,729	-1.8%	373,387	8.5%

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 Business Conditions Survey**.
www.orlando.org/survey

SIGN UP FOR EMAIL UPDATES [HERE](#)