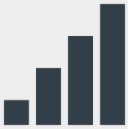
Atlanta, GA

Headlines

- **Job growth in greater Atlanta has slowed over the last few years and is running at a pace more consistent with national trends.** The metropolitan area hosts a highly diversified business base that helped it outperform the nation through much of the post-pandemic recovery and has insulated the region from some of the sharper slowdowns experienced elsewhere more recently.
- **Atlanta's service-providing industries continued to expand at a faster pace than their national counterparts.** Construction has been Atlanta's most notable area of employment weakness relative to the nation in recent months.
- **Labor force growth also remains particularly robust, providing continued momentum for local businesses and supporting long-term economic expansion.**
- **Economic growth in Atlanta will exceed the national pace in the near term thanks to continued resilience in national consumer spending.**
- **Corporate investment will support economic expansion over the next few years** through major life sciences developments, infrastructure-enhancing redevelopment projects, and AI-related capital expenditures.

KEY FACTS

Population: 5.1 mil.
(ranked 7/411 MSAs)
Source: Bureau of Census; Moody's Analytics



GDP: 2.8%
(ranked 98/411 MSAs)
Source: Bureau of Economic Analysis; Moody's Analytics

Job Growth: 0.1%
(ranked 235/411 MSAs)
Source: Bureau of Labor Statistics

HPI Growth: 0.0%
(ranked 326/411 MSAs)
Source: CoreLogic, Inc.; Moody's Analytics

"Job growth in greater Atlanta has slowed over the last few years and is running at a pace more consistent with national trends."

Atlanta's metropolitan area hosts a highly diversified business base, with major employers in such industries as consumer staples, communication services, financial services, utilities, transportation, among others. **This broad economic foundation has helped Atlanta outperform the nation through much of the post-pandemic recovery and has insulated the region from some of the sharper slowdowns experienced elsewhere more recently.** In particular, Atlanta's labor force expanded considerably faster than the national average from late 2020 through mid-2022. Since then, employment growth has moderated to a pace more consistent with national trends.

Construction has been Atlanta's most notable area of employment weakness relative to the nation in recent months. The sector shed jobs in five of the first six months of 2026, following more than five years of strong growth, in sharp contrast to continued employment gains nationally. Part of this weakness reflects a cooling housing market. By mid-2026, housing supply had largely caught up with demand, reducing the need for new residential construction. Consistent with these conditions, the Atlanta S&P CoreLogic Case-Shiller Home Price Index was unchanged in May from a year earlier, compared with a 1% increase nationally. Industrial construction activity also slowed sharply in 2026 as manufacturing construction spending retreated following the policy-driven boom that began in 2021. Meanwhile, commercial real estate prices declined after rising rapidly from mid-2024 through mid-2025, according to Moody's Analytics.

Outside of construction, Atlanta's service-providing industries rebounded from the weakness seen in late 2025. **Employment growth in these sectors outpaced the national average and helped offset continued softness in the broader goods-producing sector during 2026.** In particular, employment in education and health services remained robust, expanding faster than the national pace. Financial activities employment growth slowed sharply in 2026 following more than five years of rapid expansion. **Nevertheless, despite recent declines, employment in the sector remains about 15% above its pre-pandemic peak, substantially exceeding the comparable national gain of roughly 3%.** Meanwhile, professional and business services, Atlanta's largest employment sector, has partially recovered from the job losses recorded in late 2025, broadly mirroring national trends. Through June 2026, total service-providing employment in the Atlanta metropolitan area increased by an average of about 0.1% per month during the first half of the year, modestly above the national average of 0.04%.

Labor force growth also remains particularly robust, providing continued momentum for local businesses and supporting long-term economic expansion. The local labor force, after contracting in late 2024, has steadily increased over the past year. One big draw is housing in the metro area that is more affordable, relative to incomes, than in the rest of Georgia and the nation, although affordability remains near historic lows on all three levels. Newly introduced housing assistance programs should help retain public-sector workers and support population stability in neighborhoods in the city of Atlanta, providing meaningful benefits for local businesses and economic growth going forward.

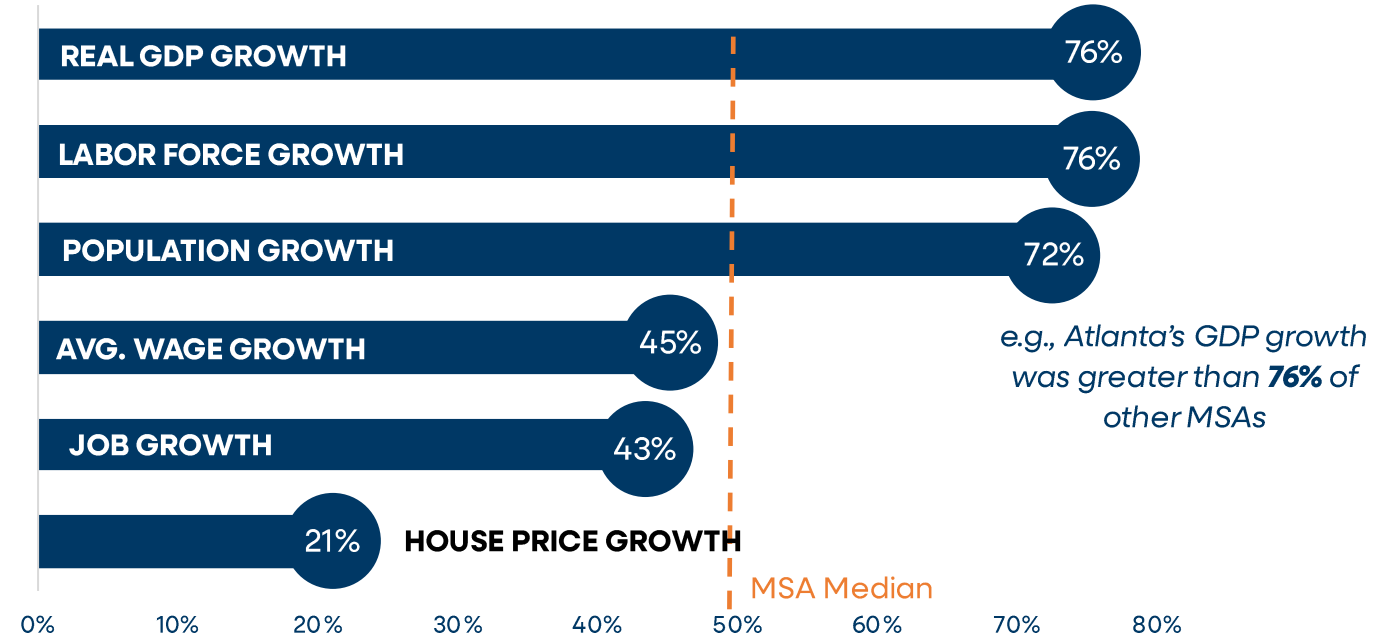
Continued resilience in U.S. consumer spending should support economic growth in Atlanta above the national pace over the near term. Locally, transportation and packaging firms will benefit from easing cost pressures as crude oil prices have retreated from their peak earlier this year as tensions with Iran have eased somewhat. Although consumer spending growth is expected to slow a bit through the rest of 2026 and into 2027, Atlanta's concentration in consumer staples leaves the region less exposed compared to peer metros that host major consumer discretionary firms and durable-goods manufacturers; both of these segments have faced significant commodity cost increases over the past

year. One downside risk is higher jet fuel prices that would weigh on demand for Delta, a major local employer.

Metro area home price growth slowed to zero by mid-2026, and direct capital investment programs funded through city of Atlanta Tax Allocation Districts (TADs) are likely to decline in 2026 compared with 2025. **Nevertheless, corporate investment should continue to support economic expansion through major life sciences developments, infrastructure-enhancing redevelopment projects, and AI-related capital expenditures over the next year.** Georgia remains an attractive destination for technology companies pursuing AI-related investments, while Atlanta has emerged as one of the nation's fastest-growing data center markets. In addition, the newly opened Gainesville Inland Port will connect rail service to the Port of Savannah, expanding shipping options for businesses, and strengthen logistics networks. This will attract further investment in conjunction with the area's below-average business costs and taxes.

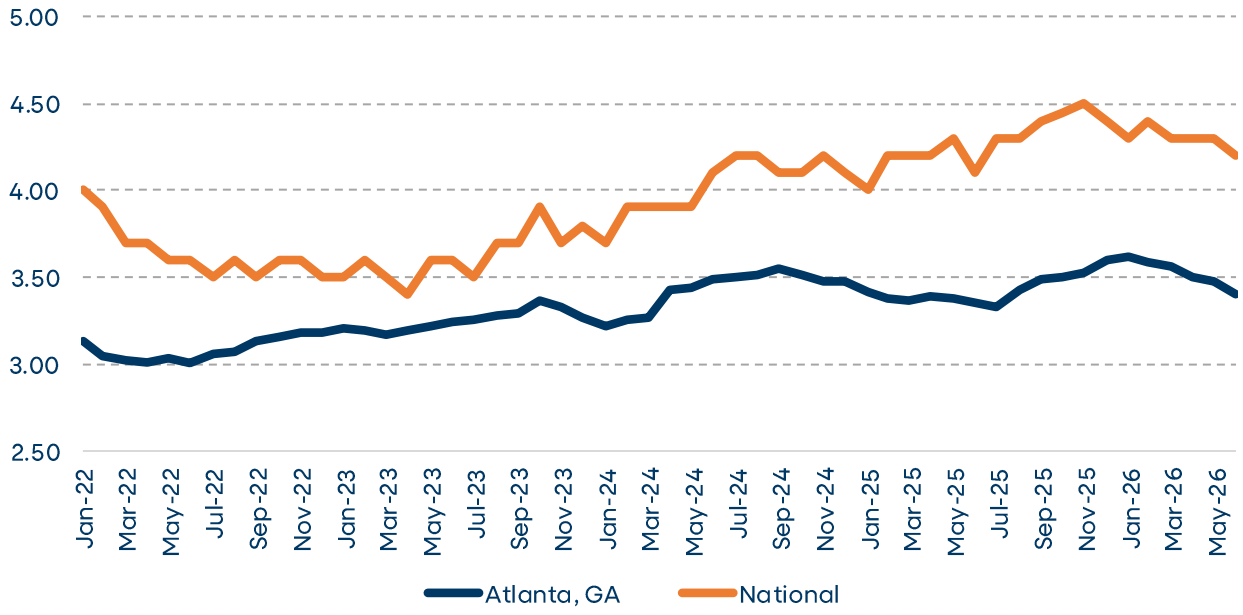
Key Charts and Figures

Figure 1: Key Metric Percentiles – Atlanta, GA vs. the Rest of the Country



Sources: Bureau of Economic Analysis; Moody's; Bureau of Labor Statistics; CoreLogic, Inc.; U.S. Census Bureau

Figure 2: Unemployment Rate: Atlanta, GA vs. National Average*



Sources: Bureau of Labor Statistics

*The October 2025 unemployment rates are an approximation. The official figures were not published due to the federal government shutdown during that month.

Disclosures

The material presented and the views expressed herein are of a general nature and does not constitute the provision of investment or economic advice to any person, or a recommendation of any particular securities, financial instruments, strategies or banking services. Opinions and forecasts expressed herein are subject to change without notice. Relevant information was obtained from sources deemed reliable. Such information is not guaranteed as to its accuracy. You should seek the advice of an investment professional to tailor a financial plan to your needs.

Forward-looking statements are necessarily subject to numerous assumptions, risks and uncertainties, which change over time. Future events or circumstances may change our outlook and may also affect the nature of the assumptions, risks and uncertainties to which our forward-looking statements are subject. Forward-looking statements speak only as of the date made. We do not assume any duty and do not undertake any obligation to update forward-looking statements. Actual results or future events could differ, possibly materially, from those anticipated in forward-looking statements, as well as from historical performance. As a result, we caution against placing undue reliance on any forward-looking statements.

"PNC" is a registered mark of the PNC Financial Services Group, Inc.

© 2026 The PNC Financial Services Group, Inc. All rights reserved.