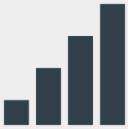
Orlando, FL

Headlines

- The Orlando Metropolitan Statistical Area (MSA) labor market is outperforming the nation.
- Annual job growth was a weak 0.2% in February but then accelerated each month, hitting 1.3% in June, four times the U.S. average and the fastest pace since September 2024.
- Despite the additional labor market slack, wage growth accelerated recently and has topped the U.S. average for the last four months through June.
- Economic growth in Orlando will be limited by headwinds to tourism spending in the near term given the metro's outsized reliance on leisure and hospitality employment to drive job growth.

KEY FACTS

Population: 3.0 mil.
(ranked 14/411 MSAs)
Source: Bureau of Census; Moody's Analytics



GDP: 3.0%
(ranked 72/411 MSAs)
Source: Bureau of Economic Analysis; Moody's Analytics

Job Growth: 1.3%
(ranked 62/411 MSAs)
Source: Bureau of Labor Statistics

HPI Growth: -1.5%
(ranked 372/411 MSAs)
Source: CoreLogic, Inc.; Moody's Analytics

"Home prices in Orlando are up 56.8% from February 2020, topping the U.S. average of 53.4%."

The Orlando Metropolitan Statistical Area (MSA) labor market is outperforming the nation. Month-on-month growth in total nonfarm payrolls has averaged 0.2% year to date through June compared to the U.S. average of just 0.1%. While growth has rebounded, it is not broad based with only five sectors expanding their payrolls in June: education & healthcare (+1.9%, the strongest pace since January 2021), manufacturing (+1.1%), other services (+0.3%), government (+0.3%) and trade, transportation & utilities (+0.2%). The largest declines were in financial activities (-0.8%) and mining & logging (-0.8%). Employment in the all-important leisure & hospitality sector fell 0.6% after increasing for the previous six months.

The four-month rebound in job growth in Orlando after the decline in February pushed the year-on-year growth rate well above the U.S. average over the past four months. **Annual job growth was a weak 0.2% in February but then accelerated each month, hitting 1.3% in June, four times the U.S. average and the fastest pace since September 2024**. There were above average gains in education & healthcare (+4.4%), leisure & hospitality (+3.7%, down from 4.2% in April and May) and professional & business services (+2.2%). The three fast growing sectors represented 52.5% of total nonfarm employment in June (with leisure & hospitality alone representing nearly double the U.S. average) and more than offset the declines in the remaining seven sectors, including a sharp drop of 3.4% in financial activities, the sixth straight decline.

Despite the recent sharp acceleration in job growth, the unemployment rate in Orlando has been rising. The jobless rate hit a cycle low of 3.4% in January 2025, rose to 4.8% in April and then improved to 4.7% in June, well above the national average of 4.2%. The number of unemployed slipped 1.7% in June, lowering the unemployment rate to 4.7%. Furthermore, June marks the fifth straight month in which the Orlando unemployment rate has topped the U.S. rate.

Despite the additional labor market slack, wage growth accelerated recently and has topped the U.S. average for the last four months through June. Average hourly earnings year-on-year growth accelerated from just 2.0% in March to 5.9% in May then slowed to a still-solid 4.7% in June. The strong wage growth should support additional consumer spending in the near term and possibly boost hiring in the leisure & hospitality and retail sectors.

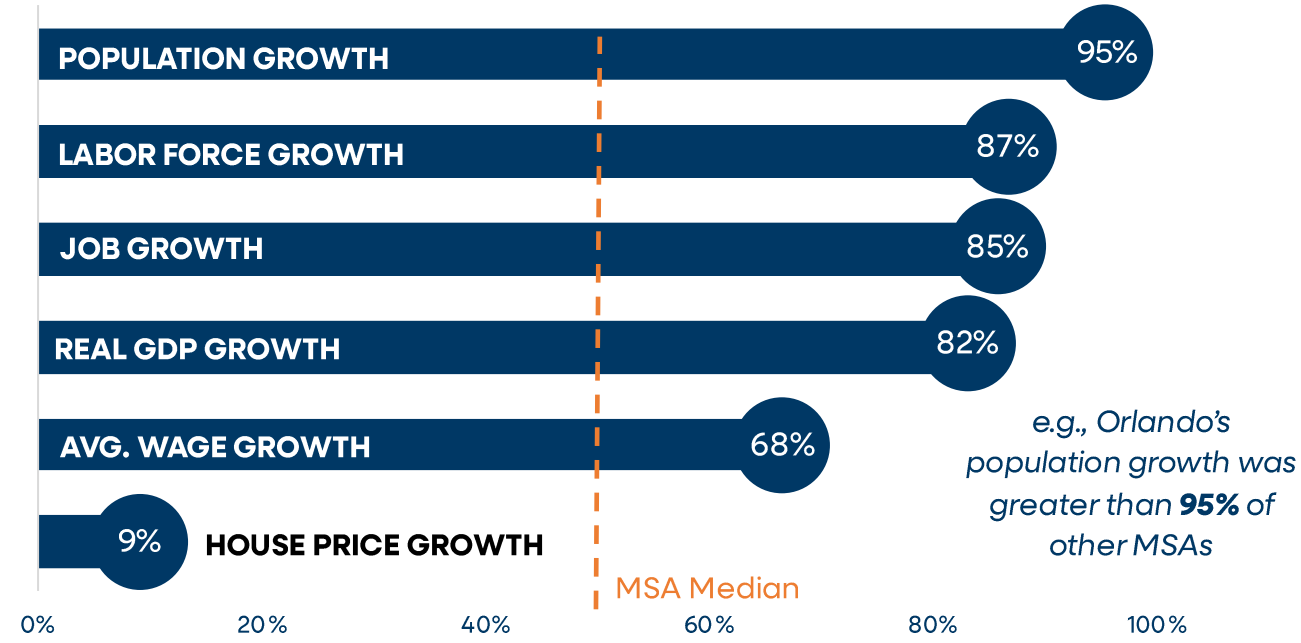
Orlando's housing market showed tentative signs of rebounding last fall but that proved to be fleeting. Existing home sales rose for five consecutive months beginning in September 2025 but declined in February and March with the 8.1% drop in March, the largest since June 2022. The March decline lowered the year ago growth rate to -10.3%, the biggest decrease since January 2024.

The two-month decline in home sales is exerting downward pressure on home prices. **The median home price in Orlando has fallen month-on-month in four of the past five months through April.** Moreover, home prices from a year earlier have dropped for the past 11 months and national home price gains have exceeded those of the Orlando MSA for 34 months in a row. Despite the recent underperformance, home prices in Orlando are up 56.8% from February 2020, topping the U.S. average of 53.4%. Home price growth should continue to moderate in the near term with the number of homes for sale up sharply since bottoming in March 2022.

Economic growth in Orlando will be limited by headwinds to tourism spending in the near term given the metro's outsized reliance on leisure and hospitality employment to drive job growth. In 2025, the leisure and hospitality sector was responsible for nearly two-thirds of net job gains despite representing only about 20% of total employment. The long-term outlook is brighter as the warm climate and low taxes continue to support population growth and net in-migration. .

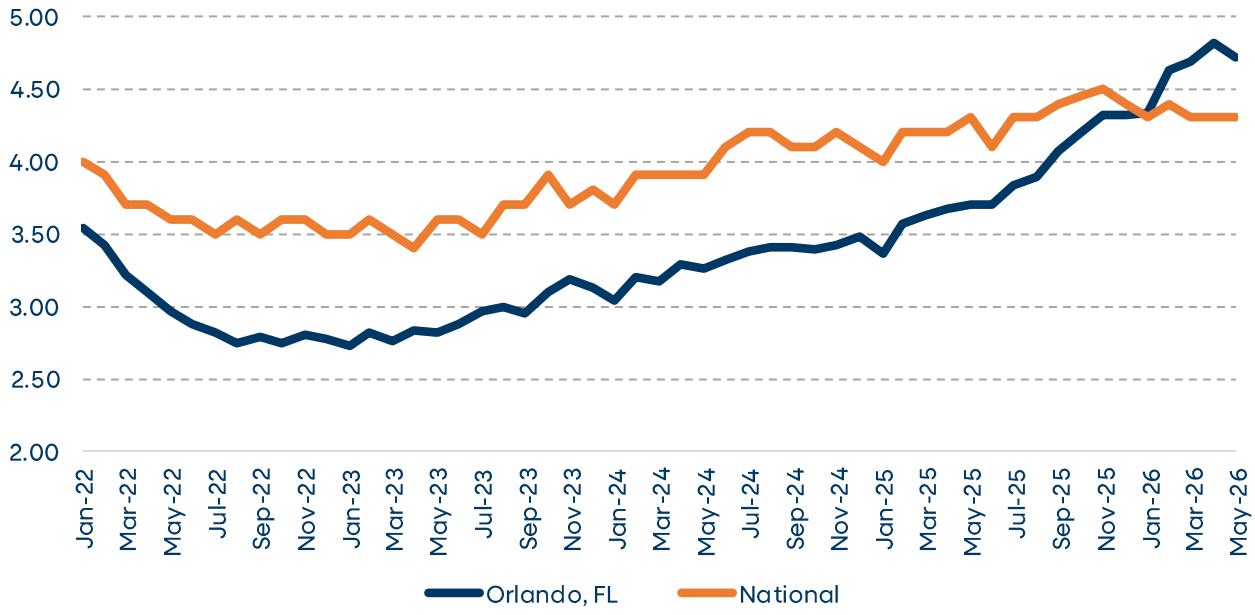
Key Charts and Figures

Figure 1: Key Metric Percentiles – Orlando, FL 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: Orlando, FL 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.

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