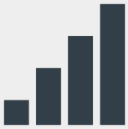
Raleigh, NC

Headlines

- The Raleigh-Cary, North Carolina Metropolitan Statistical Area (MSA) enters the second half of 2026 with accelerating job growth across a broad base of industries.
- This breadth of job creation beyond Raleigh's traditional economic bellwethers allows more workers to take part in and benefit from the local economy's strength.
- The market is adding workers at a time when the national trend has fallen into decline on labor force growth.
- Belying the strength of job creation in Raleigh through the first half of 2026 is a local housing market that has experienced several consecutive months of outright declines in home values through March 2026.
- Given the local job market's above-average wage growth, Raleigh may be setting up as a more attractive option as first-time homebuyers look for affordable house price options.

KEY FACTS

Population: 1.6 mil.
(ranked 50/411 MSAs)
Source: Bureau of Census; Moody's Analytics



GDP: 4.1%
(ranked 10/411 MSAs)
Source: Bureau of Economic Analysis; Moody's Analytics

Job Growth: 2.3%
(ranked 6/411 MSAs)
Source: Bureau of Labor Statistics

HPI Growth: -1.1%
(ranked 361/411 MSAs)
Source: CoreLogic, Inc.; Moody's Analytics

"Versus one year ago, Raleigh has seen faster hiring in percentage terms than many of the most prominent MSA economies in the region, including Atlanta, Nashville, Washington, D.C., and Charlotte."

The Raleigh-Cary, North Carolina Metropolitan Statistical Area (MSA) enters the second half of 2026 with accelerating job growth across a broad base of industries. The local economy's unemployment rate has fallen steadily since the start of the year on above-average labor force growth, and workers in Raleigh are benefitting from wage growth that has remained on track and ahead of the U.S. economy's recent oil price-induced inflation spike. The Raleigh MSA's economic gains are outpacing regional markets, large and small, and enjoy momentum that should carry through the rest of this year and help the market compound the benefits of a re-accelerating U.S. national economy entering next year.

Raleigh is enjoying employment gains from all corners of its local economy. Some of the market's largest sectors are leading the way in hiring, which helps establish sustainable growth prospects as existing, recognizable businesses act as a beacon for existing local workers to anchor with. Education & Healthcare—the third-largest employing sector in Raleigh—more than doubled its pace of hiring in the six months through May 2026 (6.2% annualized) versus the prior six-month period according to Bureau of Labor Statistics (BLS) data.

Professional & Business Services, Raleigh's largest sector, ranks sixth among the MSA's industries in terms of hiring by this measure but at 4.8% (BLS) is still well above the North Carolina state average (3.7%) and the national average (0.7%).

It is heavy industry segments of Raleigh's economy that are topping the market's growth rankings through the first half of 2026, however. Construction and Transportation & Utilities are half and a quarter of the size of those services-oriented sectors discussed above but are expanding the fastest. **This breadth of job creation beyond Raleigh's traditional economic bellwethers allows more workers to take part in and benefit from the local economy's strength.** This diversity of gains also allows Raleigh to avoid the risks of industry-specific downturns that might otherwise cascade to all manner of consumer spending and business services firms.

Belying the strength of job creation in Raleigh through the first half of 2026 is a local housing market that has experienced several consecutive months of outright declines in home values through March 2026 (most recent data available). The Cotality Case-Shiller House Price Index in Raleigh, published by CoreLogic, Inc., is down by 1% versus one year ago, which compares to modest gains of 0.8% at the U.S. national level and 0.4% for the state of North Carolina as a whole.

Unlike some markets across the U.S. which have seen some retrenchment in home values over the past year, Raleigh at no point during the years following the COVID-19 pandemic saw house price growth beyond the national average—although the local market did reach a peak year-over-year gain of 35% at the height of the pandemic whereas the U.S. topped out at 20.7%. But the housing market's sluggishness is unlikely to dampen job creation and, therefore, economic growth in Raleigh overall. In fact, **given the local job market's above-average wage growth, Raleigh may be setting up as a more attractive option as first-time homebuyers look for affordable house price options.**

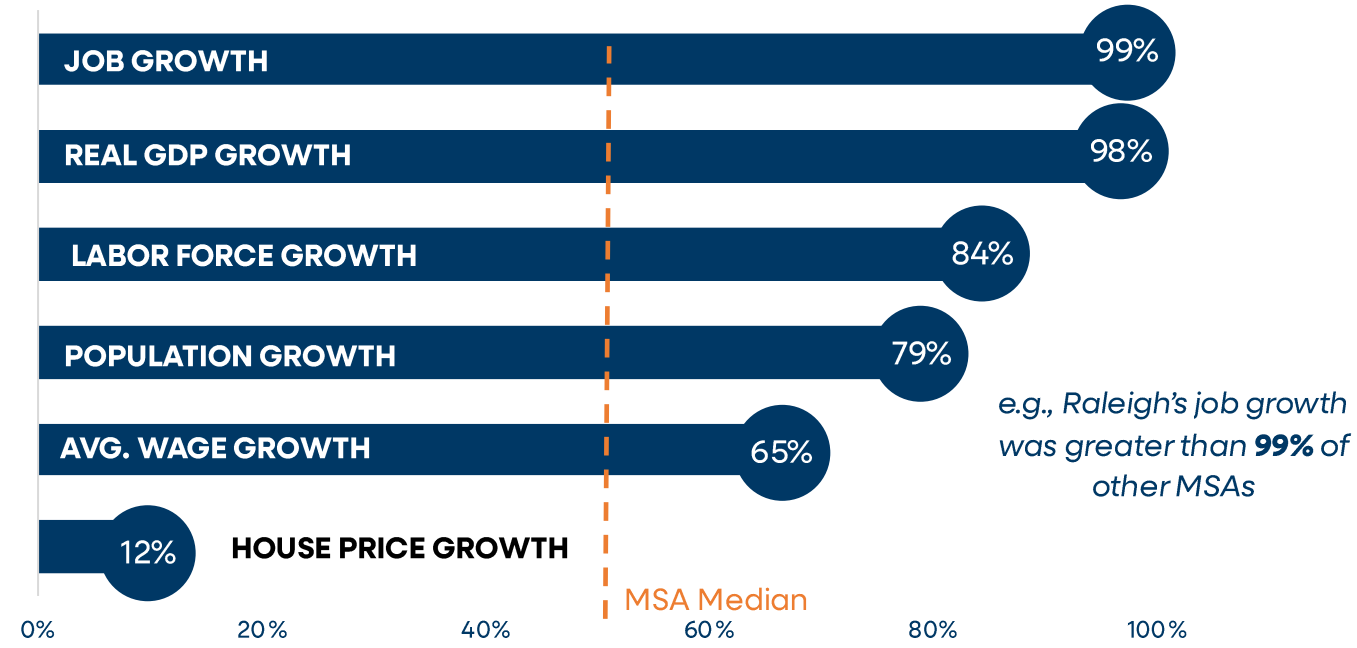
Demonstrating the lack of impact on consumer sentiment that Raleigh's weak housing market is having is the local economy's Leisure & Hospitality hiring boom. Versus one year ago, Raleigh has seen faster hiring in percentage terms than many of the most prominent MSA economies in the region, including Atlanta, Nashville, Washington, D.C., and Charlotte. Raleigh has also bested the hiring pace of neighbors such as Greensboro, Durham and Fayetteville when it comes to job creation in response to consumer spending. Leisure & Hospitality industry businesses are exceptionally demand sensitive in that

they are likely to hire only when new customers warrant such decisions. **The fact that Raleigh boasts stronger growth than comparable economies implies that local households are comfortable spending back into the local economy, which creates a virtuous cycle of income growth and spending growth across all segments of the income spectrum**.

Raleigh is enjoying job creation across a diverse range of local industries. **The market is adding workers at a time when the national trend has fallen into decline on labor force growth.** And income gains are staying ahead of the most recent potential short circuit to economic growth, oil price-induced inflation. These internally produced gains intact combine with the potential for an external boost from a stronger U.S. economy, as the policy uncertainty of the past two years begins to fade, to keep Raleigh's economy engine running on all cylinders throughout the year ahead.

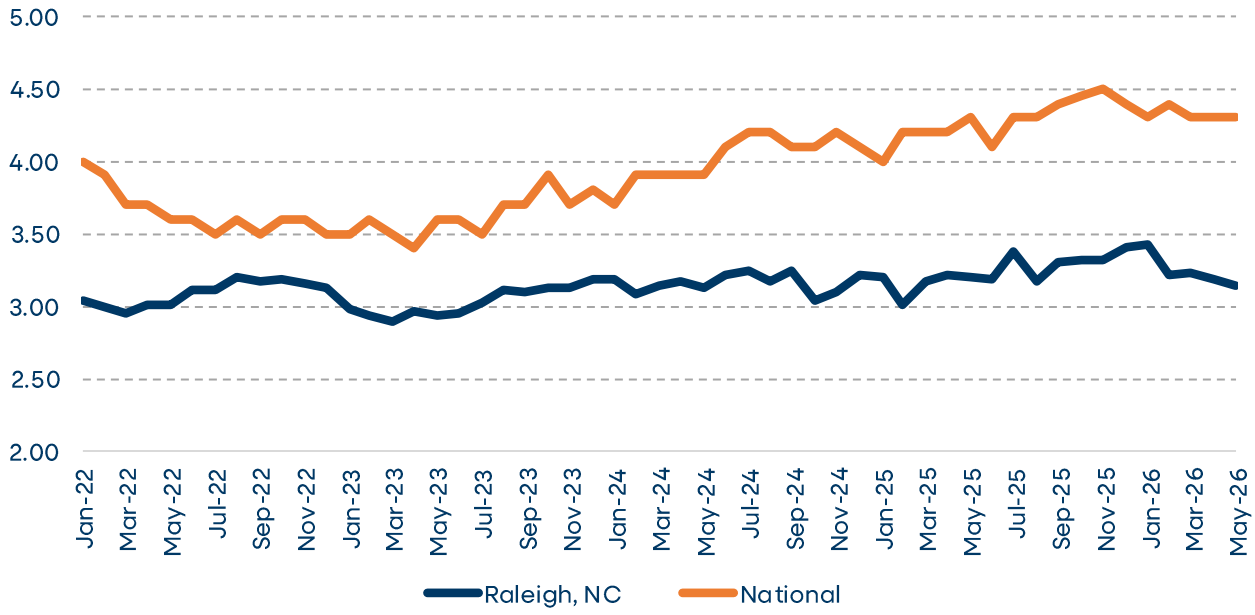
Key Charts and Figures

Figure 1: Key Metric Percentiles – Raleigh, NC 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: Raleigh, NC 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.