



AUSTIN MSA JUNE ECONOMIC UPDATE

June 2024

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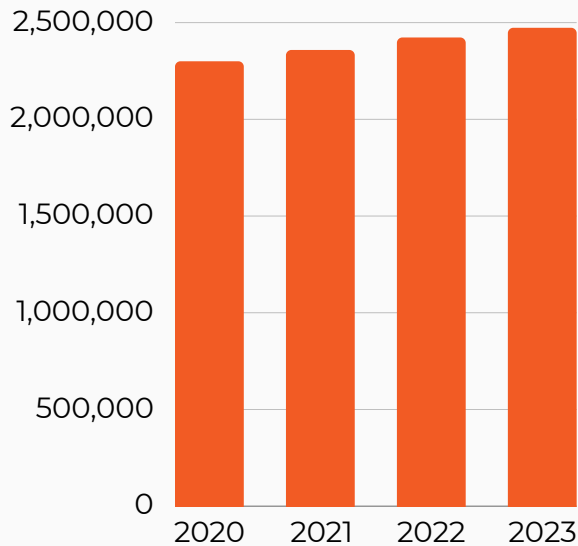
ABOUT AE



Over the past 29 years, AngelouEconomics has executed over 1,000 projects working hand-in-hand with major corporations, towns, cities, regions, states, and countries to develop visions, strategies, and implementation plans to advance regional growth and prosperity.



POPULATION

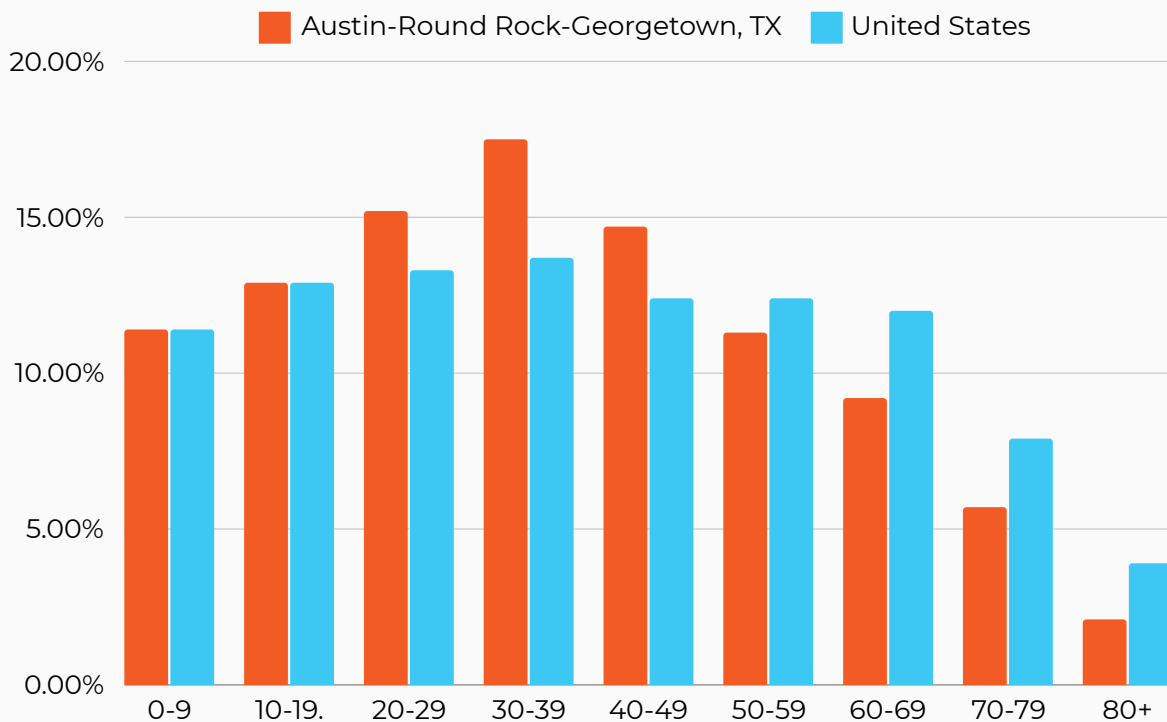


The graph to the right shows the population for the Austin-Round Rock, TX MSA over the last 5 years.

The 2023 population estimate for the Austin MSA is 2,473,275 people. This is around a 200,000 person increase from 2020, which had an estimated population of 2,283,369.

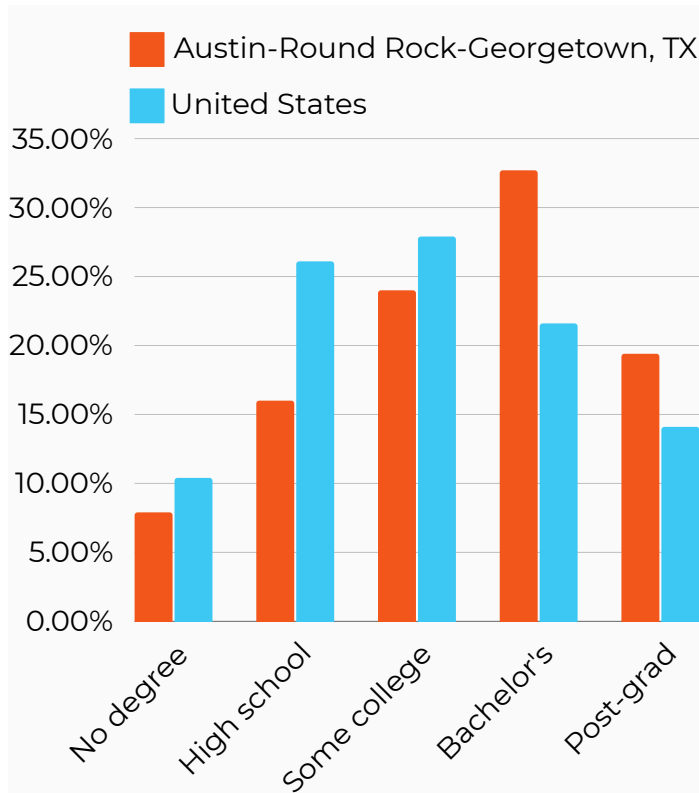
Based on recent growth trends the MSA population will be approaching 2.5 million people in 2024.

The MSA population age distribution is concentrated most highly around ages 20 to 49, with the largest group being 30-39, suggesting a large talent pool. Compared to U.S. average, this indicates a much younger population.



Source (s): Census Reporter

POPULATION



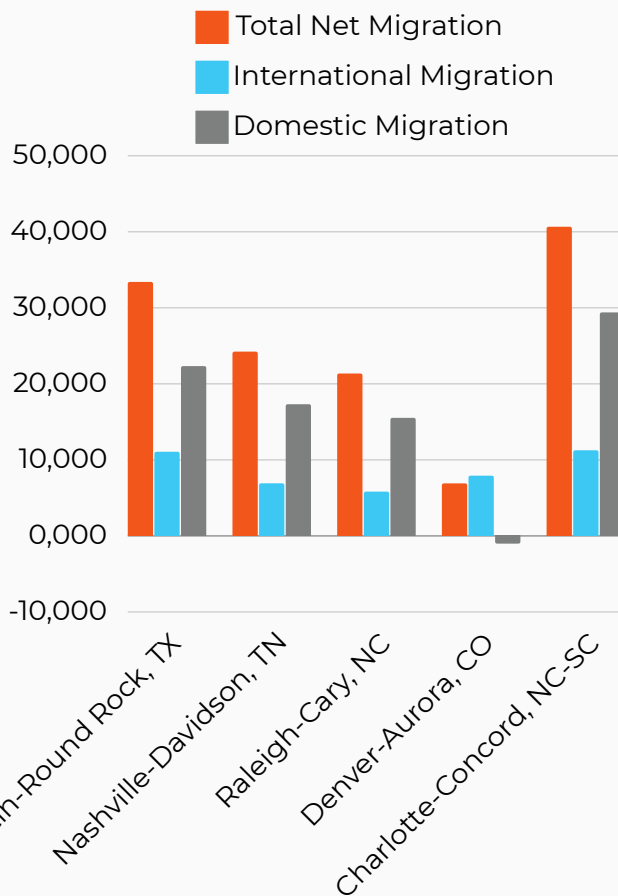
The Austin MSA population features a youthful and highly educated workforce, attractive to businesses seeking skilled employees.

The region's demographic and educational advantages position it well for continued development and competitiveness in various industries.

The Austin MSA experienced positive change in total net migration in 2023 of 33,412 people. This includes both domestic (22,339) and international (11,073) migration into the area.

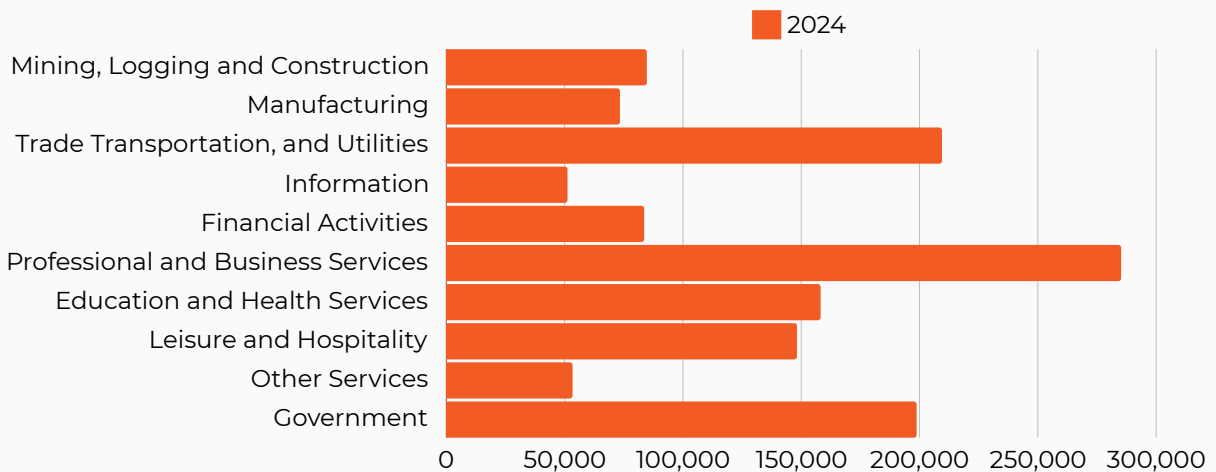
Compared to other Metropolitan Areas of similar population size, the Austin MSA is near the higher end.

Increased migration into the area could provide the Austin MSA with greater workforce opportunities and may contribute to the growth of the local economies.



Source (s): Census Reporter

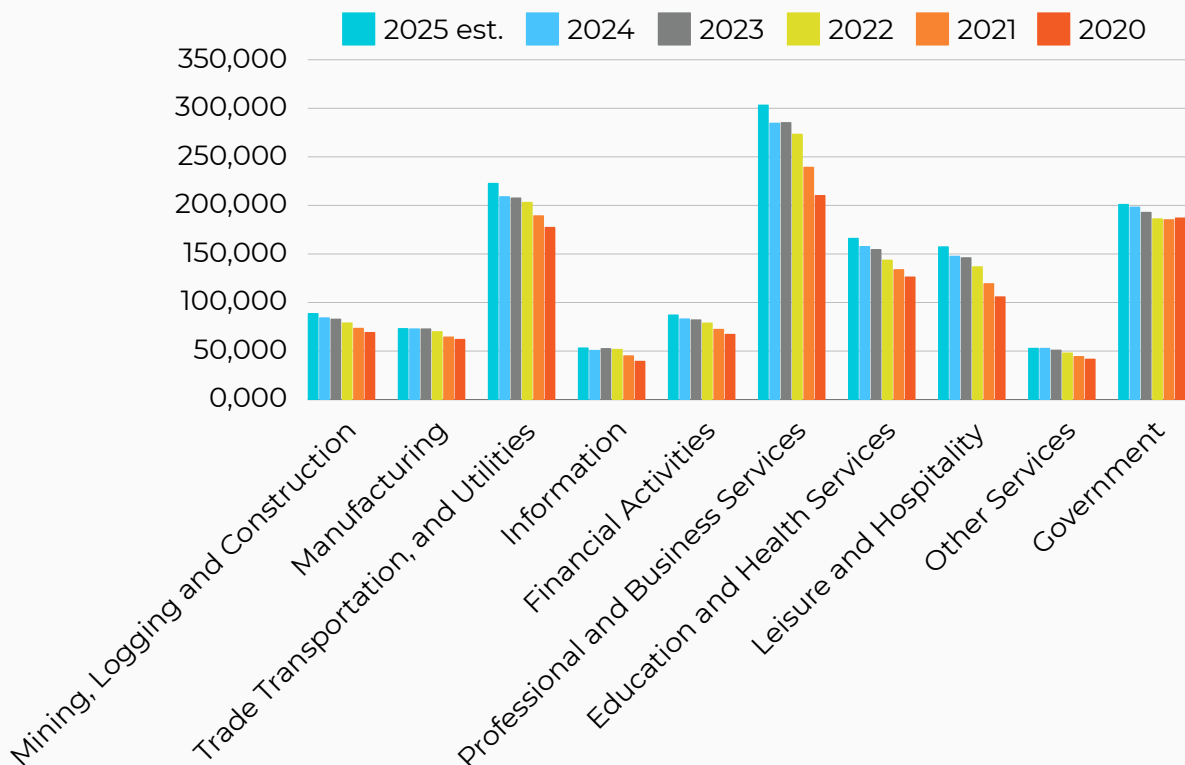
EMPLOYMENT



Continued growth in total jobs in nonfarm industries in the Austin MSA is anticipated through 2025. As of 2024, total nonfarm jobs is 1,346,225.

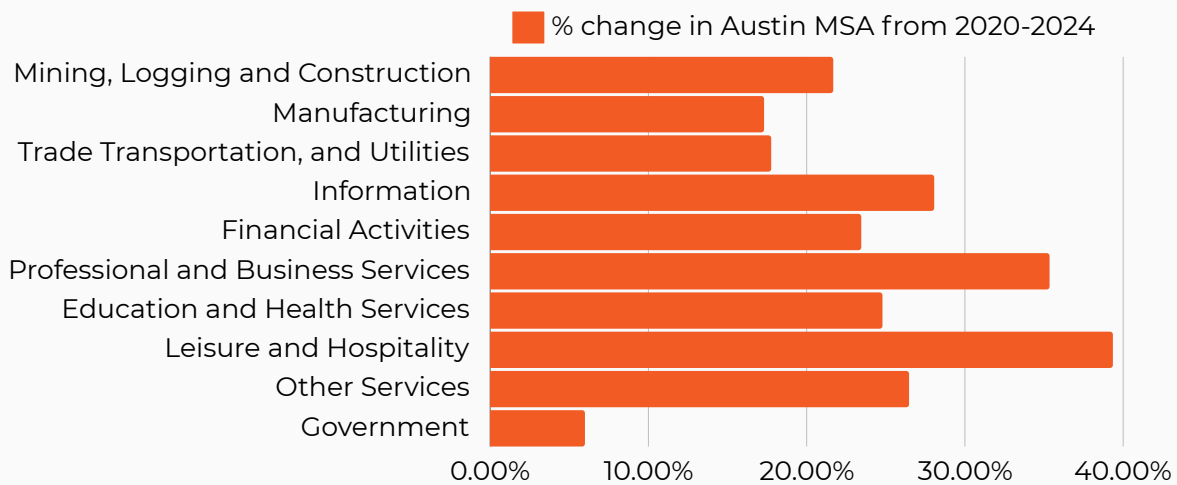
The forecast indicates that the industry with the highest number of jobs to be professional and business services with 285,200 jobs in 2024. This is followed by trade, transportation, and utilities with 209,500 jobs, and the government sector with 198,775 jobs also in 2024.

The projected growth in nonfarm industries suggests strong economic stability and diverse job opportunities in the MSA, with professional and business services leading the market.

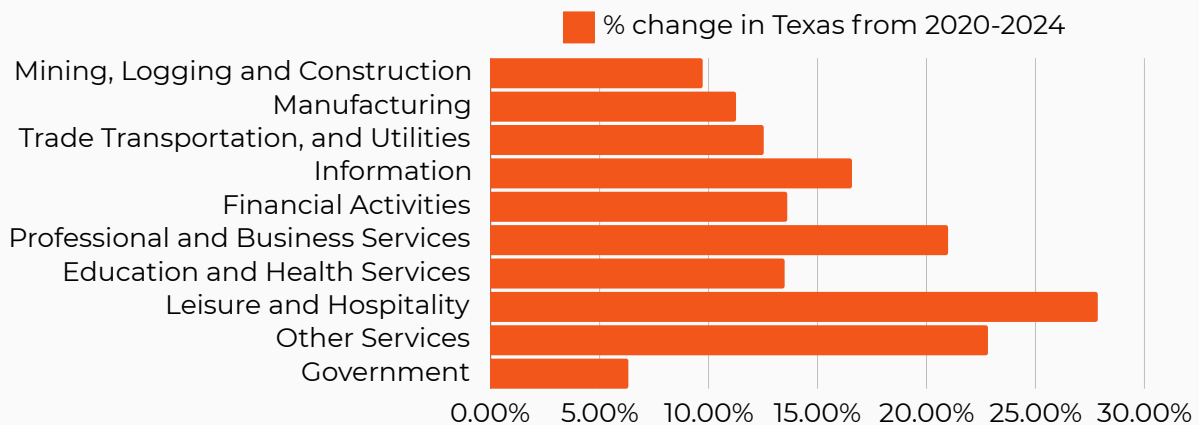


Source (s): Bureau of Labor Statistic

EMPLOYMENT



The Leisure and Hospitality industry growth from 2020 to 2024 in Austin has seen the greatest positive change, at 39.35%. Data and context suggest that this growth is following the reopening of the industry after temporary closures and shutdowns due to COVID-19.



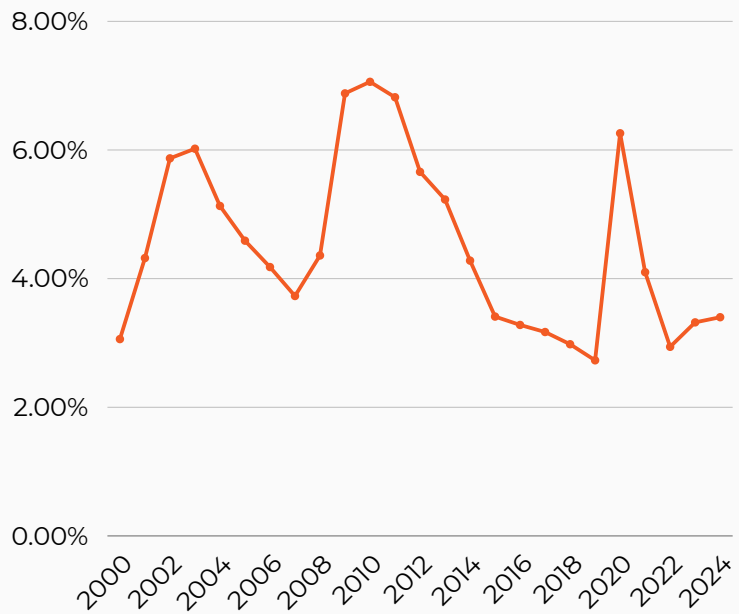
Growth in the Leisure and Hospitality industry from 2020 to 2024 follows the same trend state-wide, which further substantiates the contextual frame of the reopening of the industry after temporary closures and shutdowns due to COVID-19.

UNEMPLOYMENT

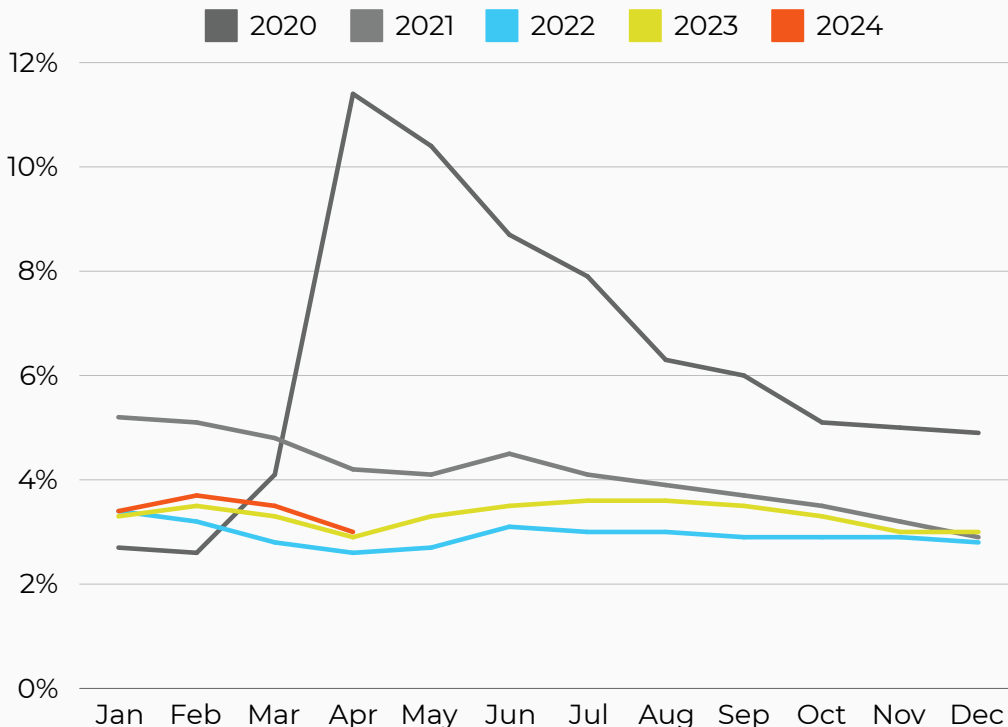
Unemployment rates in the Austin MSA seem to be stabilizing from the 2020 COVID-19 pandemic.

Monthly unemployment data in the region suggests that while unemployment rates have slightly increased from 2023, they are stabilizing around 3.4%, with a preliminary rate of 3.0% in April 2024.

In comparison, the April 2024 preliminary rate in the U.S. is 3.9% as reported by the U.S. Bureau of Labor Statistics.

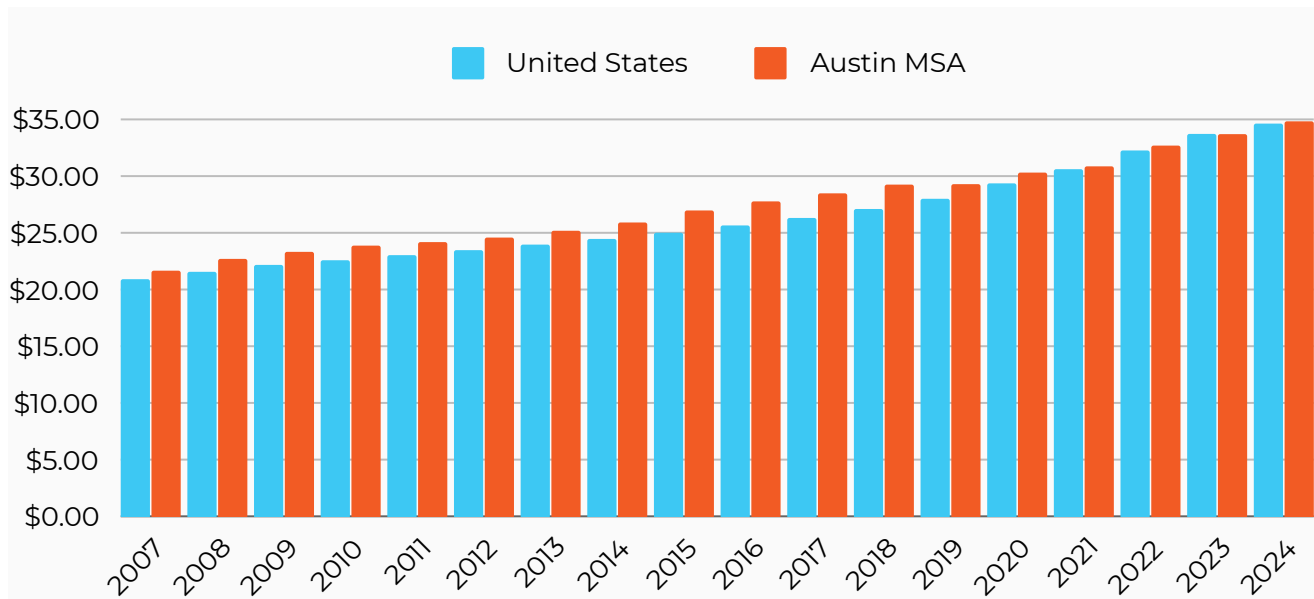


This stabilization in unemployment rates in the Austin MSA may indicate economic resilience and recovery, supported by the region's diverse industries. It may also support consumer confidence and attract businesses and talent to the area.



Source (s): Bureau of Labor Statistic

INCOME

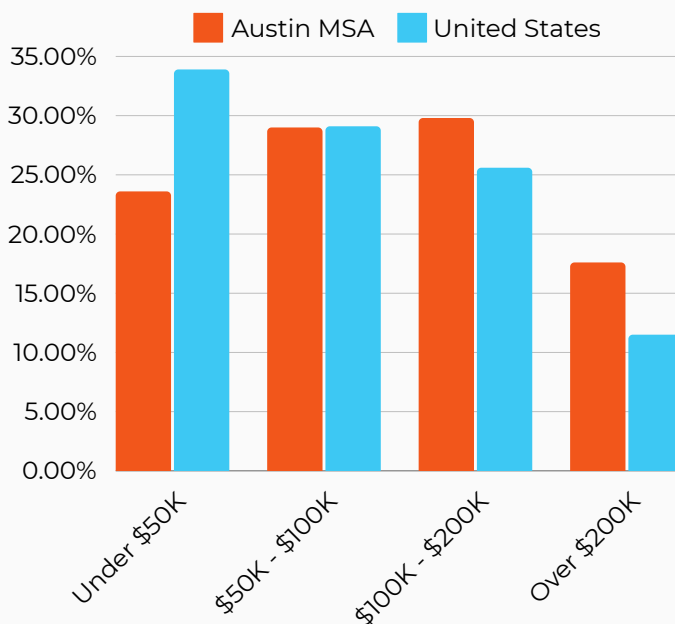


From the correlation and overall trends shown in Average Hourly Earnings of All Employees, the data evidenced a consistent increase in average hourly earnings of all employees from 2007 to 2024 in the Austin MSA.

Household income in the Austin MSA is highest around 29.80% in the \$100-200k range, followed closely by the second largest group in the \$50-100k range of about 20.00%. In contrast, the highest portion of household income in the United States is 33.90% of the population having a household income of under \$50k.

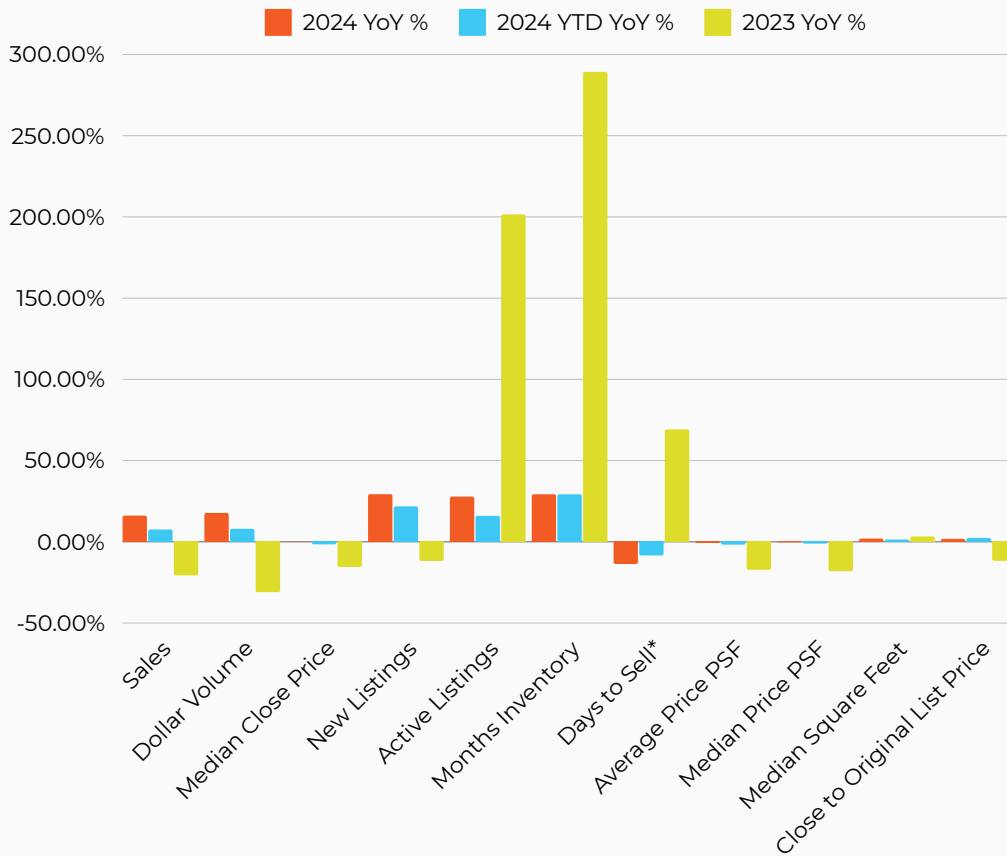
The Austin MSA has a relatively affluent population compared to the national average, indicating a strong local economy, higher spending power, and financial stability. This economic strength may attract businesses and support local services in the area.

However, higher household incomes may also lead to increased cost of living, housing prices, workforce imbalance, and infrastructure strain.



Source (s): Census Reporter

HOUSING MARKET



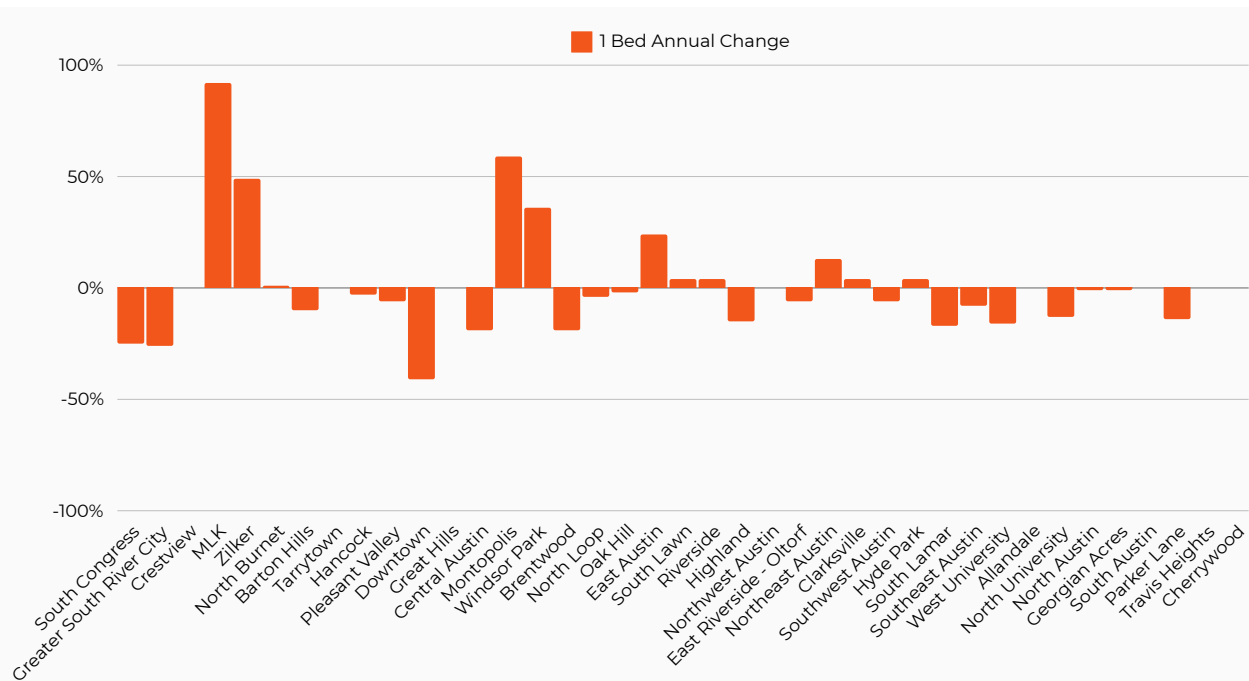
In the Austin MSA for housing, YOY change in metrics for April 2023 and April 2024 shows stark differences:

Mainly April 2024 YOY change percentages are relatively stable and within a YOY 50% increase with only one data point with a YOY percent change decrease, being Days to Sell.

However, for April 2023 YOY change percentages the data shows a large amount of negative YOY percent change data points. The data also shows immense positive changes in Active Listings, Months Inventories, and Days to Sell, all of which are beyond the bounds of a YOY 50% increase.

The data also shows a high visual correlation between YOY and YTD for 2024, indicating possible evidence of correction and approaching a new stable level.

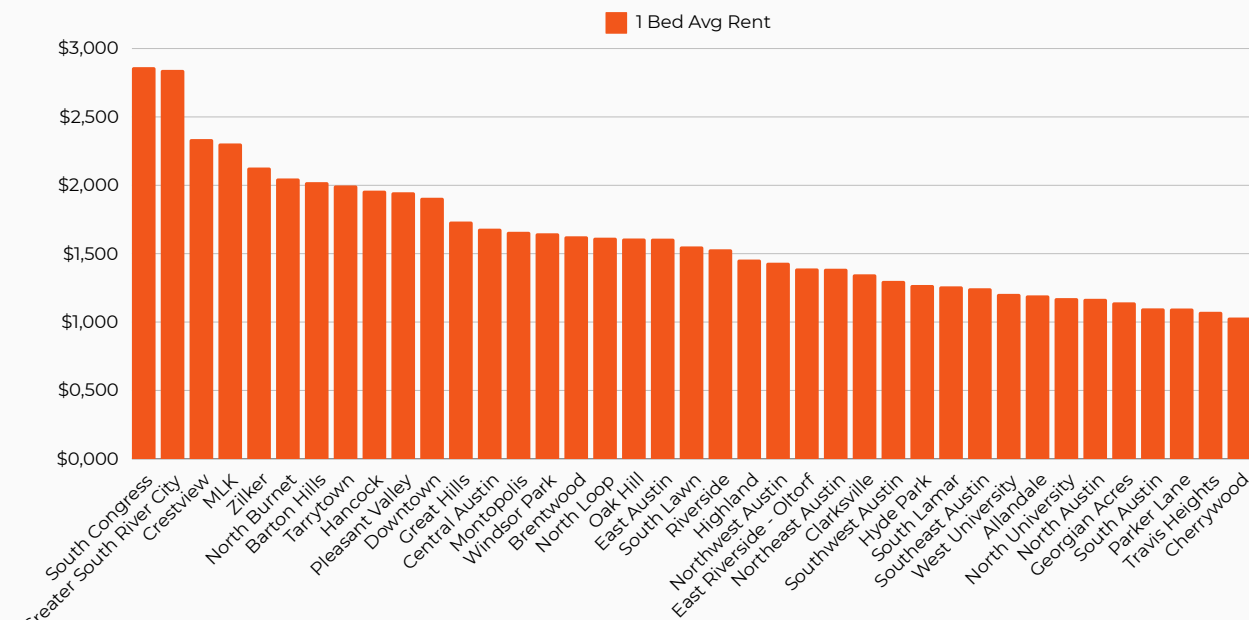
RENTAL MARKET



In the Austin MSA, on average, annual changes in rent for a one-bedroom have either increased or decreased by 20% overall. However, Downtown has seen a 41% decrease in annual change in rent.

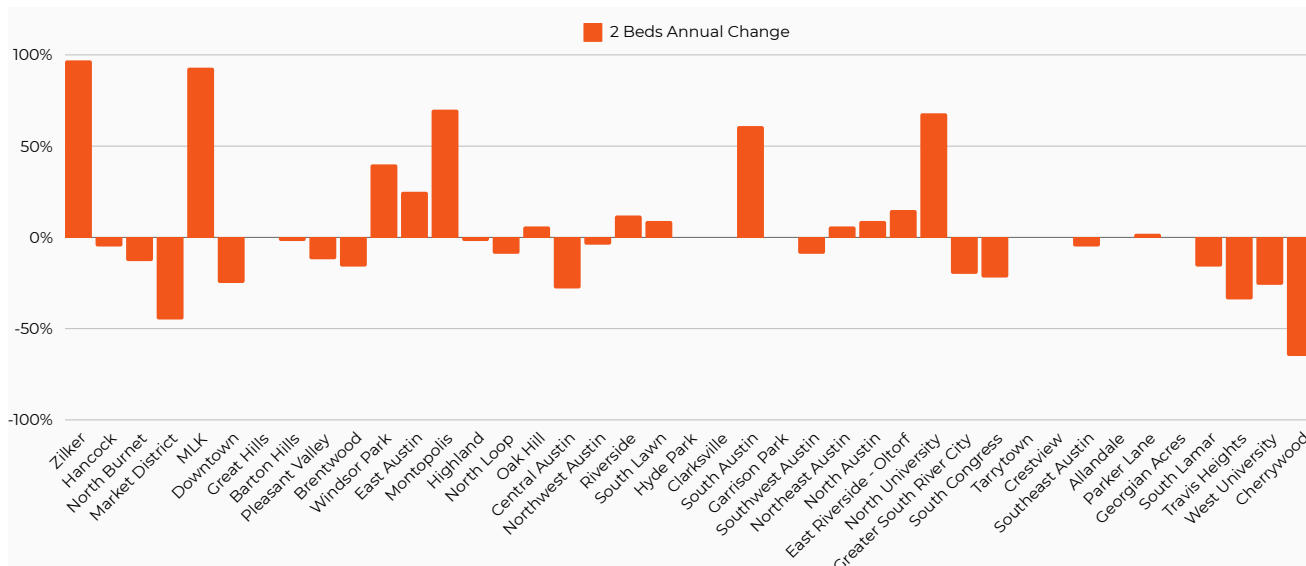
In addition, and conversely, East Austin (+24%), Windsor Park (+36%), Montopolis (+59%), Zilker (+49%), and MLK (+92%) have all experienced an increase in annual change in rent of over 20%.

South Congress has the highest average rent at \$2,864 per month, and Cherrywood has the lowest average rent at \$1,033 per month.



Source (s): Rent.com

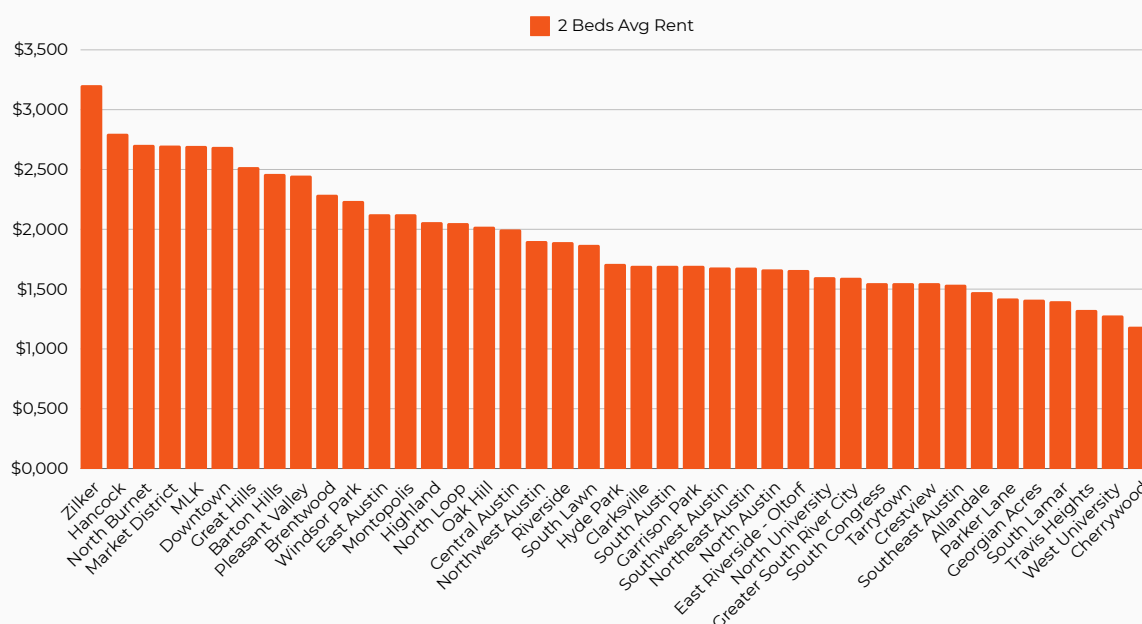
RENTAL MARKET



Annual changes in rent for a two-bedroom are sparsely with very few neighborhoods having annual changes in rent either lower than 40% or higher than 20%. However, Cherrywood (-65%) and Market District (-45%) have all experienced a decrease in annual change in rent of over 40%.

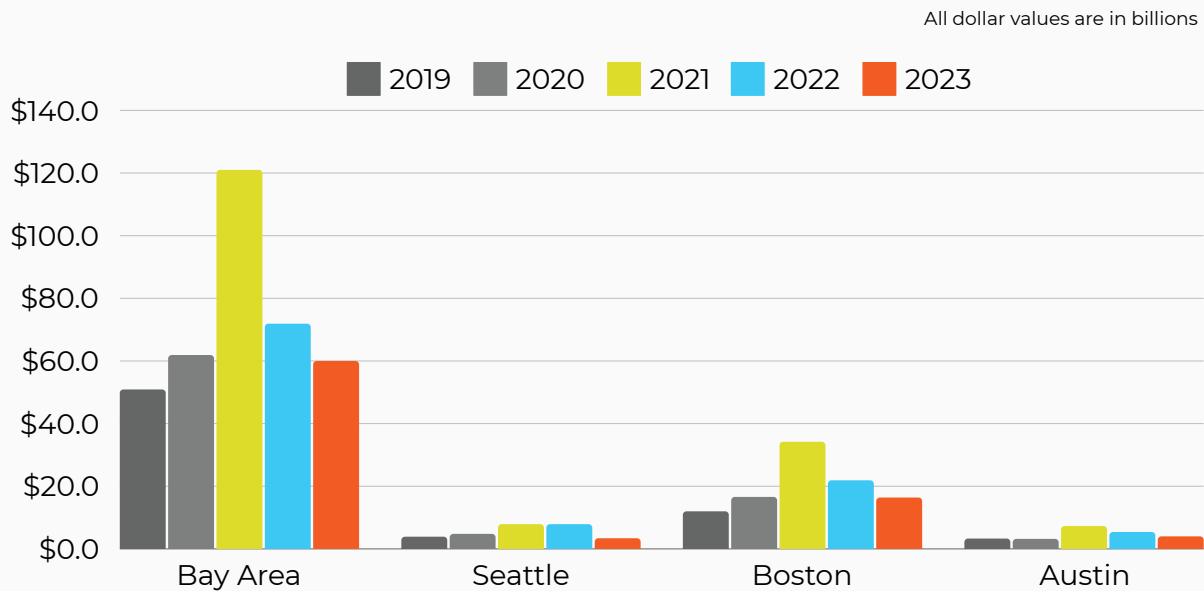
In addition, and conversely, North University (+68%), South Austin (+61%), Montopolis (+70%), East Austin (+25%), Windsor Park (+40%), MLK (+93%), and Zilker (+97%) have experienced an increased change in annual change in rent of over 20%.

Zilker has the highest average rent at \$3,205 per month, and Cherrywood has the lowest average rent at \$1,186 per month.



Source (s): Rent.com

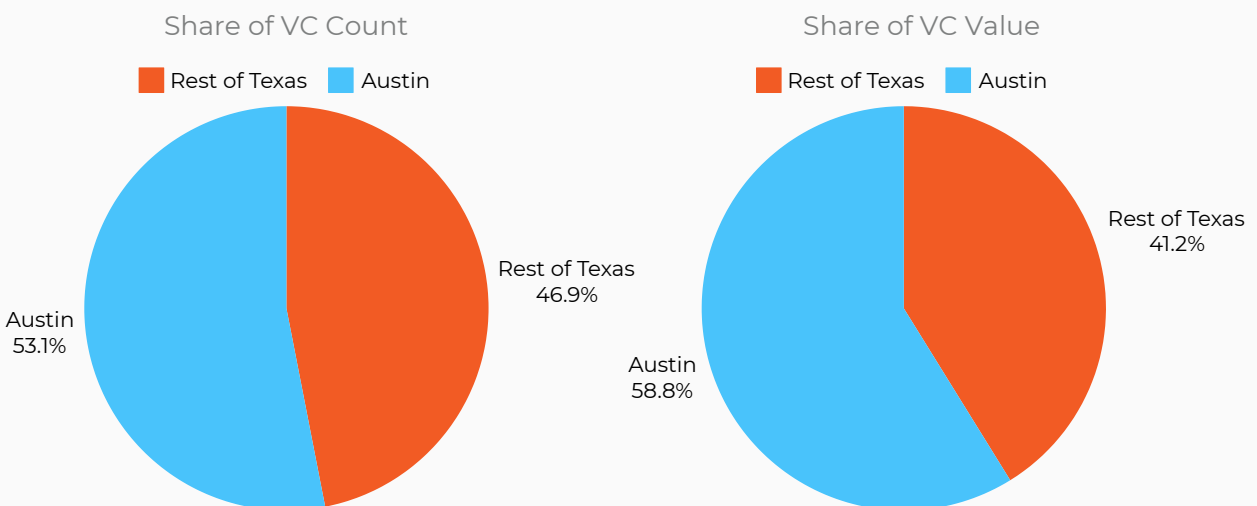
VENTURE CAPITAL



The data shows that compared to similar metropolis-based cities, Austin MSA is performing lower by value in VCs.

This may suggest that Austin MSA could evaluate where it could emulate similar infrastructure/business models to allow the continued growth of entrepreneurship and business.

Austin MSA holds a tremendous proportion of both VC count and values across the state of Texas; Austin holds more than half in both VC count and values from the rest of the state of Texas.

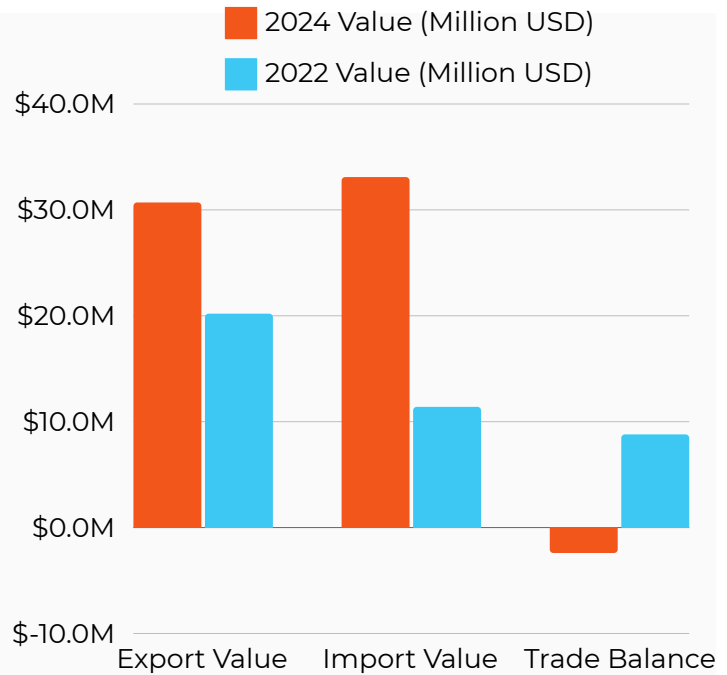


Source (s): Pitchbook

TRADE

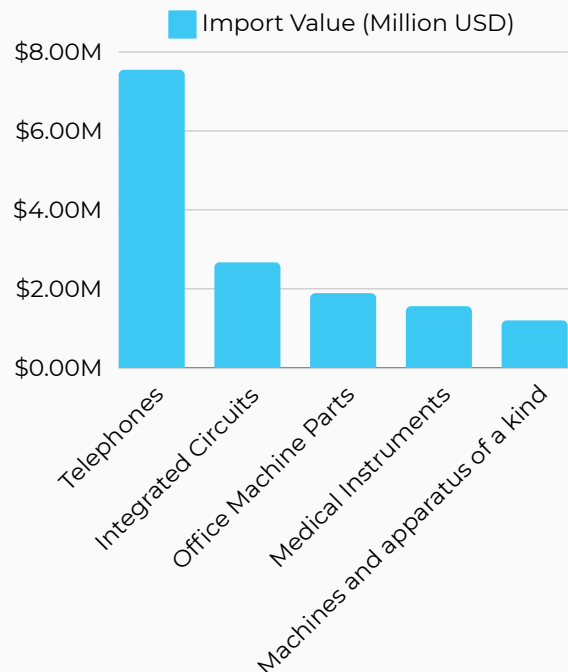
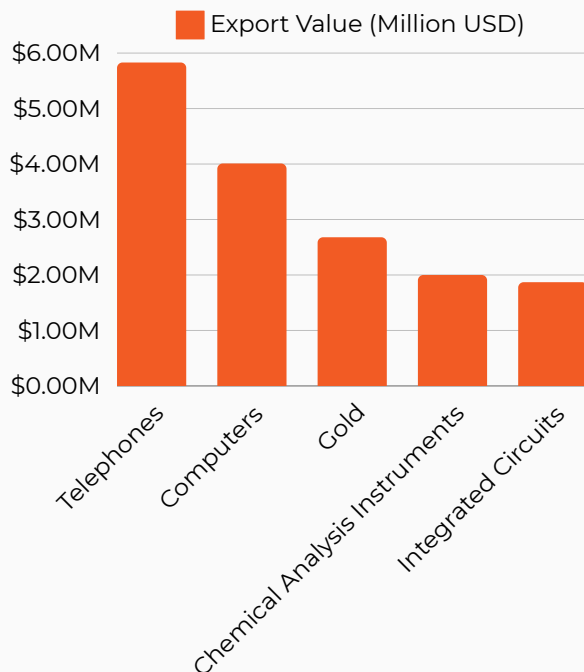
The data from February 2022 to February 2024 shows a large increase in import and export values in the city of Austin.

In February 2022, the data shows a positive trade balance of \$8.8M. In February 2024, however, the data shows a negative trade balance at a much smaller margin of \$2.4M.



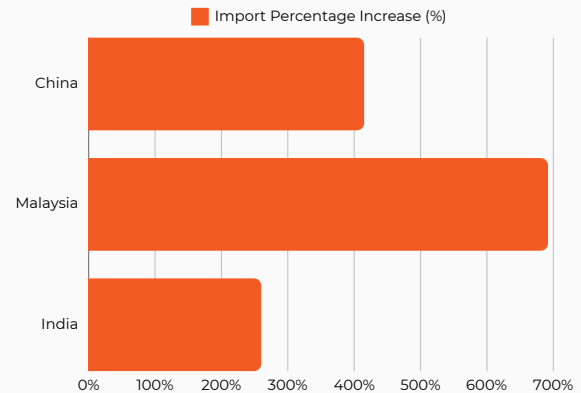
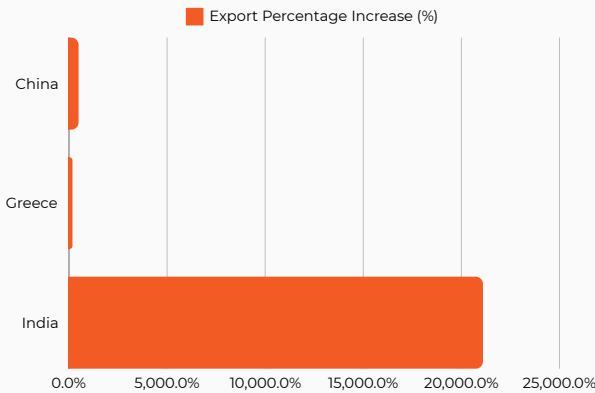
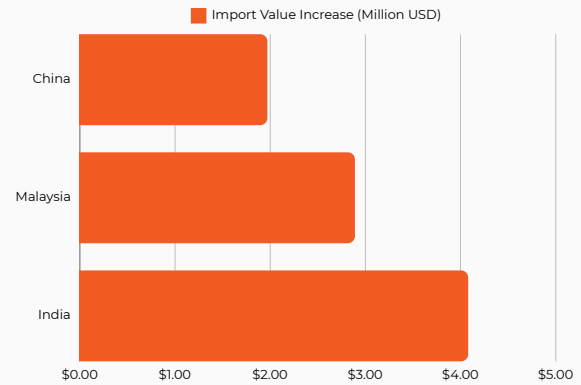
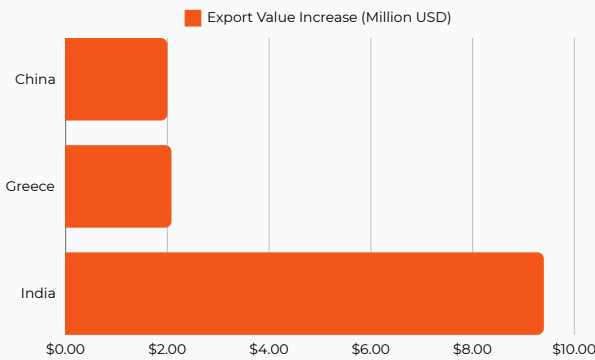
The data from February 2024 shows both the largest export and import value in Austin, TX from telephones. The data shows exports primarily in the manufacturing/tech fields with telephones, computers, gold, chemical analysis instruments, and integrated circuits.

Exports follow a similar manufacturing-based trend; however, we see a caveat in the emergence of a medical sector as evidenced by the imports of medical apparatus and medical instruments.



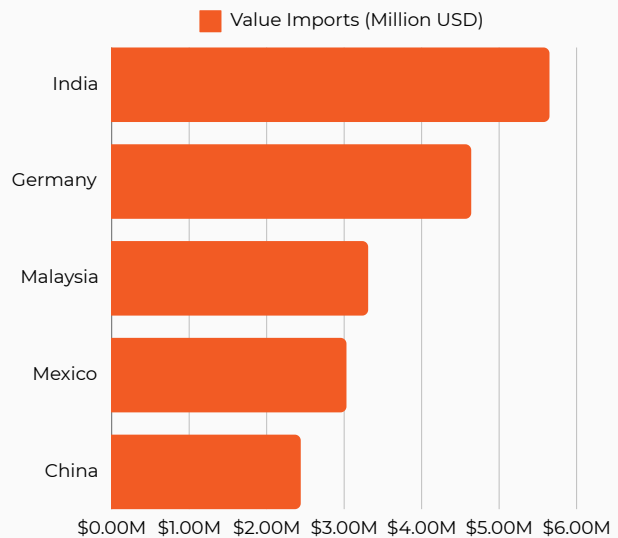
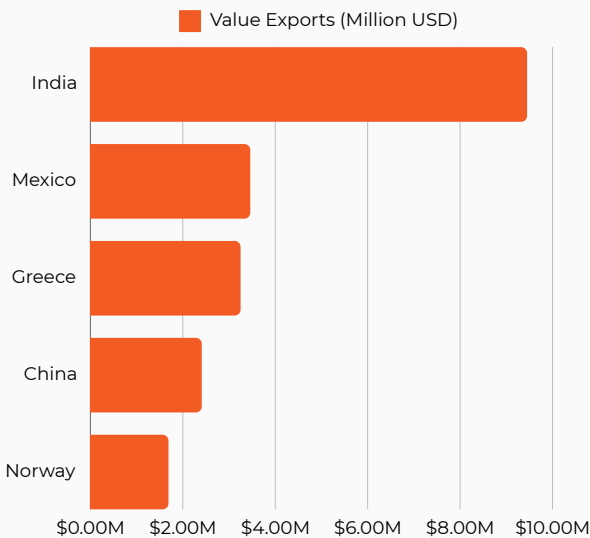
Source (s): The Observatory of Economic Complexity

TRADE



For Year-by-Year growth in Austin, TX the data shows a large import and export base from and to East Asian countries in addition to Greece.

The data also shows an increase in exports from India at 21,100% which is far higher than any other export country. India is also a top import origin and a top export destination to and from Austin, TX.



Source (s): The Observatory of Economic Complexity

PROJECT TEAM



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