Key Highlights

- Huntsville metro employment has surpassed pre-Covid levels for almost all industry sectors and has significantly outpaced the U.S. in Manufacturing, Professional Business Services and Government growth.

- Unemployment inside the metro is currently a low 2.1%. Population & employment are increasing at an average of 2% - 3% per year with workers outside the metro area commuting to fill local jobs.

- Moody’s has projected strong growth for the Huntsville metro which is expected to outpace the growth of the U.S. economy over the next five years.

- The Federal Reserve has potentially reached the peak of post-Covid rate hikes and expectations for rate cuts in 2024 are high.
Employment Growth, 2000-Current

- Huntsville: 53% change from 2000
- U.S.: 23% change from 2000
## Employment

### Huntsville Metro Employment

<table>
<thead>
<tr>
<th>November 2023</th>
<th>1-Month Change</th>
<th>3-Month Change</th>
<th>12-Month Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>278,900</strong></td>
<td>0.4%</td>
<td>1.4%</td>
<td>3.4%</td>
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### Unemployment Rate

- **November 2023**
  - **HSV**: 2.1%
  - **U.S.**: 3.5%

### Summary:

The current metro area employment for November 2023 is 278,900 which is a 3.4% annual change over the last 12 months. Overall unemployment in the Huntsville metro is currently 2.1% compared to the U.S. rate of 3.5%.

Employment

Employment in Huntsville Metro:
- 11.9% above March 2020 (29,700 workers)
- 278,900 workers

U.S. Employment:
- 5.6% above March 2020 (8.4M workers)
- 158.4M workers

4th QTR 2023
Employment Change
March 2020 to November 2023

- Construction: 8% (Huntsville), 10% (U.S.)
- Manufacturing: 3% (Huntsville), 10% (U.S.)
- Wholesale Trade: 3% (Huntsville), 4% (U.S.)
- Retail Trade: 4% (Huntsville), 8% (U.S.)
- Transportation: 18% (Huntsville), 22% (U.S.)
- Information: 6% (Huntsville), 18% (U.S.)
- Finance: 6% (Huntsville), 18% (U.S.)
- Professional & Business Services: 4% (Huntsville), 19% (U.S.)
- Education & Health Services: 7% (Huntsville), 10% (U.S.)
- Leisure & Hospitality: 5% (Huntsville), 9% (U.S.)
- Government: 1% (Huntsville), 3% (U.S.)
- Other Services: 2% (Huntsville), 3% (U.S.)

4th QTR 2023
“Huntsville will stay ahead of the state and nation as job growth impresses. Strong support from the military will keep local contractors active and positive migration trends will boost consumer industries. Auto production, however, will be more of a stabilizing force. Longer term, robust demographics will position HUN to be an overachiever in the state.”
Economy

Moody’s Analytics

4th QTR 2023

Economy

Employment Growth

GDP Growth

Huntsville

U.S.

2024 2025 2026 2027 2028

Huntsville

U.S.

2024 2025 2026 2027 2028

5-Year Forecast

5-Year Forecast
Inflation was 3.1% annually in November 2023, down from the peak of 9.1% in June 2022.

After raising the Federal Funds Rate 11 times since March 2022, the Federal Reserve has not raised rates since July 2023 and has signaled we are likely at or near the peak rate for this cycle.

Expectations are high that rates may be lowered in 2024 with the possibility for multiple 0.25% cuts.

The Fed will continue to monitor the economy and act based on the good of the country despite the potential for political pressure in the upcoming election year.
Fossil fuel companies continue to invest heavily in charging stations in anticipation of increased electric vehicle usage.

Job seekers and workers in lower-wage positions expressed confidence in job availability, but many continue to have trouble covering basic household expenses.

Commercial real estate contacts described worsening conditions in the office, high-end multifamily, and industrial segments.

Freight forwarders reported double-digit percentage declines in year-over-year daily volumes due to declining exports and lower consumer spending.

Asset quality at financial institutions was stable, with low levels of bad loans despite an uptick in credit card and auto loan delinquencies.

Recent liquidation of cattle herds limited supply, boosting beef prices. Farmers slaughtered more dairy cows to capitalize, pushing up dairy prices.
Huntsville Metro Area Report

Alabama Business Confidence Index™

Huntsville Response Breakdown

- Alabama Economy
- US Economy
- Industry Sales
- Industry Profits
- Industry Hiring
- Industry Capital Expenditures

Legend:
- Red: Worse
- Gray: No Change
- Blue: Better
Economic Development

- $2.3 billion investment
- 4,000 announced jobs
- Production began in 2021

- 3,000 acres
- 2,000 supplier jobs announced
- 300,000 vehicles per year
Economic Development

- 200 acres
- 200 jobs
- $1.5 billion investment
Economic Development

- HSV1 / HSV2
- 2,000,000 square feet
- 1,000 jobs
Economic Development

• 243 acre North Campus; 900 acre South Campus
• 1,500 current employees; $3.1 billion investment
• Potential up to 5,000 jobs