



**ORLANDO
ECONOMIC
PARTNERSHIP**

ORLANDO MSA MARKET OVERVIEW *COVID-19 SPECIAL EDITION*

LAST UPDATED: October 2, 2020

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Orlando MSA Overview – COVID-19 Special Edition

- The US economy experienced the “[sharpest contraction in modern American history](#)” in Q2 based on new estimates from the Bureau of Economic Analysis. Gross Domestic Product (GDP) growth declined at an annual rate of 32.9% in Q2, due to stay at home orders and reduced spending and investment. Annualized rates, how GDP numbers are typically reported, can over or understate impacts in volatile times. Overall, the U.S. economy was 9.5 percent smaller compared to Q2 of 2019.
- This special edition of the Orlando MSA Market Overview analyzes select, high-frequency, labor market indicators, published with a one-month lag, that will signal worsening or better employment outcomes for the region. The signs of a deepening recession will appear in these indicators before they are seen in a wider set of data sources.



High Frequency Indicators to Watch – Orlando MSA

1.

Unemployment Rate

August
11.0%
-4.4 pp MoM

Monthly

2.

New Claims for
Unemployment
Insurance

September 19
3,435
+5.4% WoW

Weekly

3.

Month to Month
Employment Change

July-August
14,400
Total Employment Change
+1.2% MoM
-9.0% YoY

Monthly

4.

Week to Week
Job Postings

September 26
5,535
-16.2% WoW

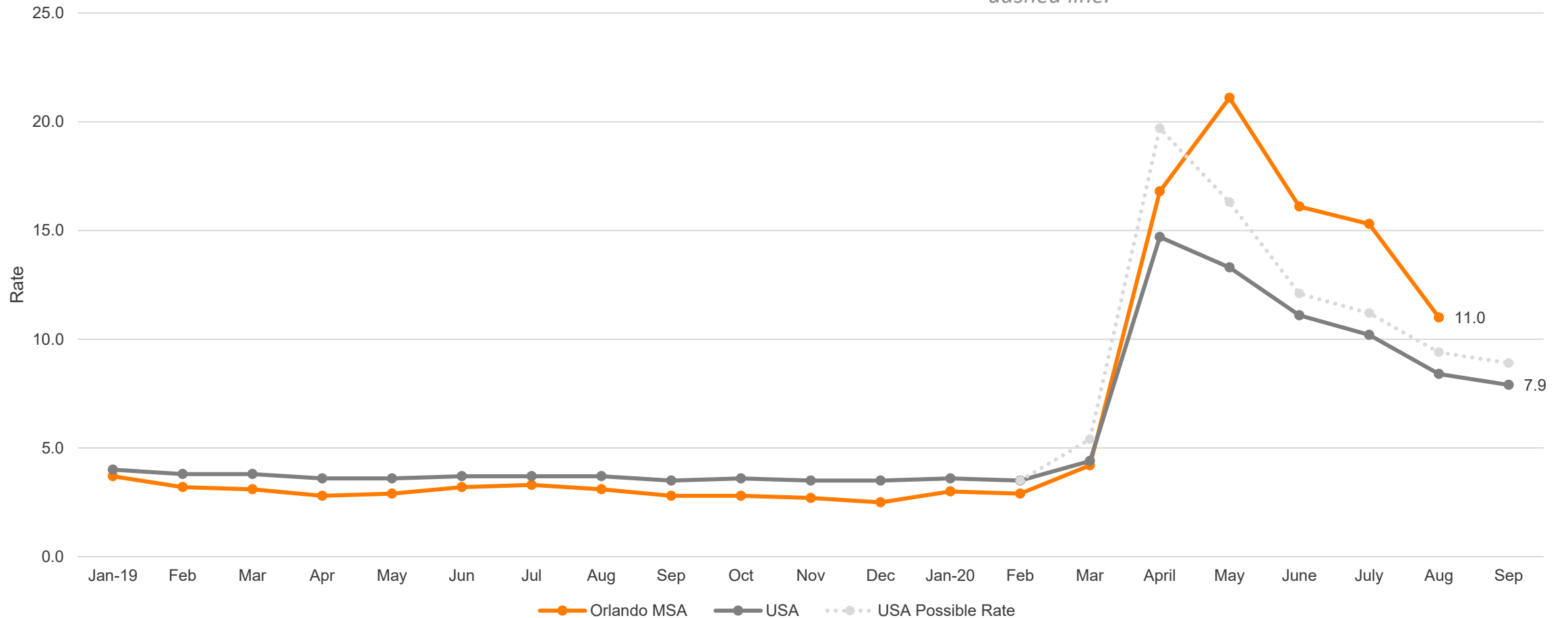
Weekly



1) Unemployment Rate

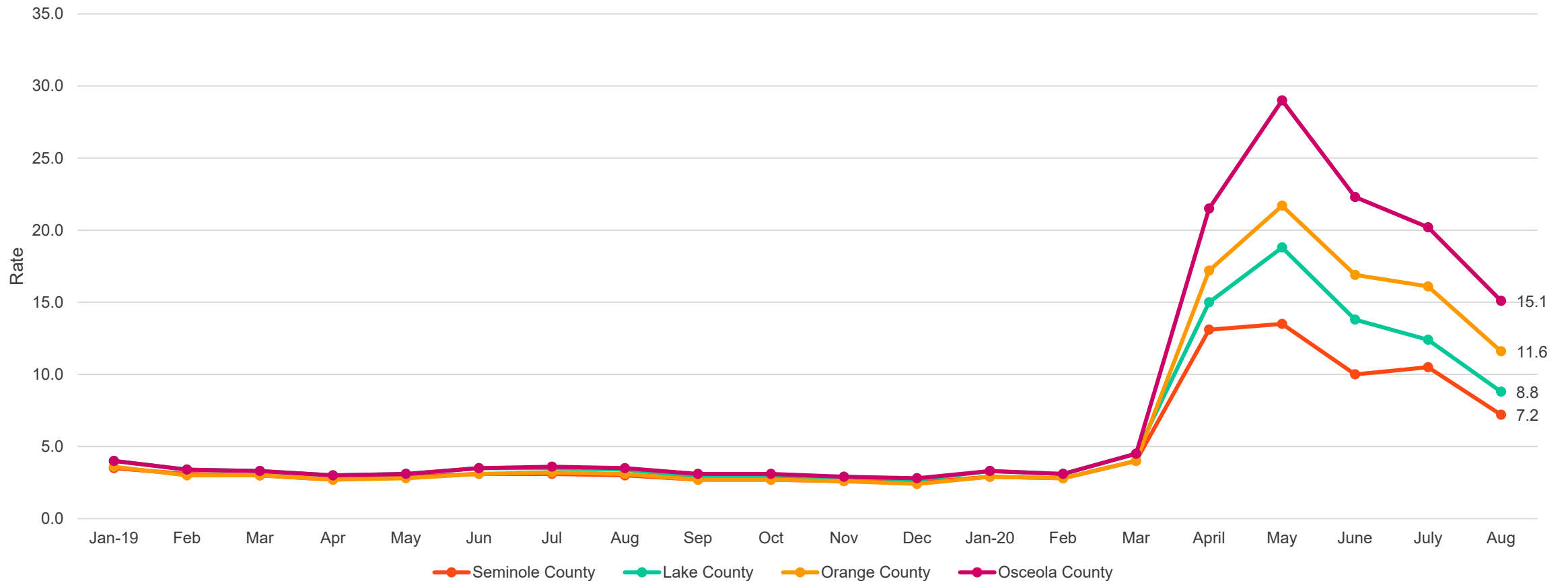
Unemployment Rate, NSA
2019-2020

Note: The U.S. unemployment rate for September is 7.9% with the Bureau of Labor Statistics (BLS) suggesting it could be up to 1 point higher due to a misclassification of “absent” workers. The noted, possible rate from the BLS is included on the gray, dashed line.



1) Unemployment Rate - Counties

Unemployment Rate, NSA
2019-2020



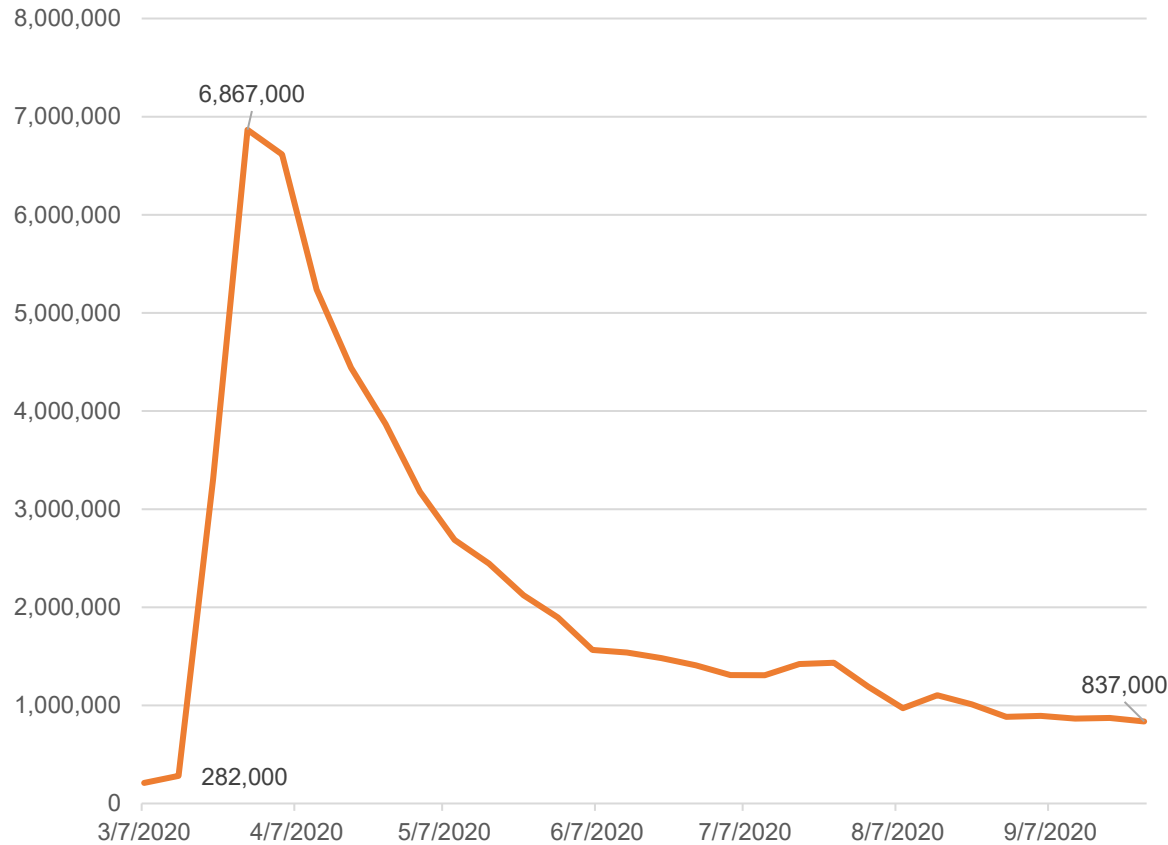
Next Update: Orlando MSA Data – October 20

Source: Florida Department of Economic Opportunity

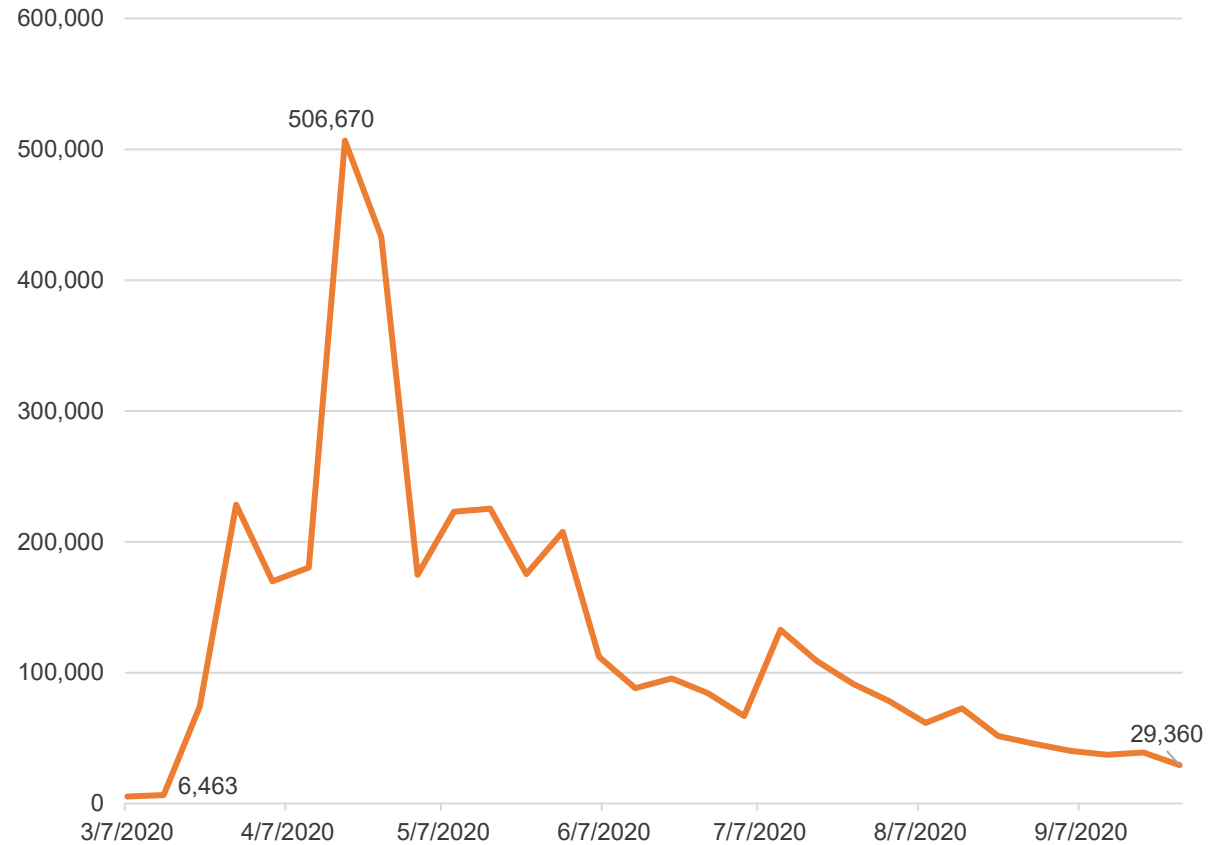


2) New Claims for Unemployment Insurance

New Claims for Unemployment Insurance, USA
Mar. 2020- Sept. 26, 2020



New Claims for Unemployment Insurance, Florida
Mar. 2020- Sept. 26, 2020



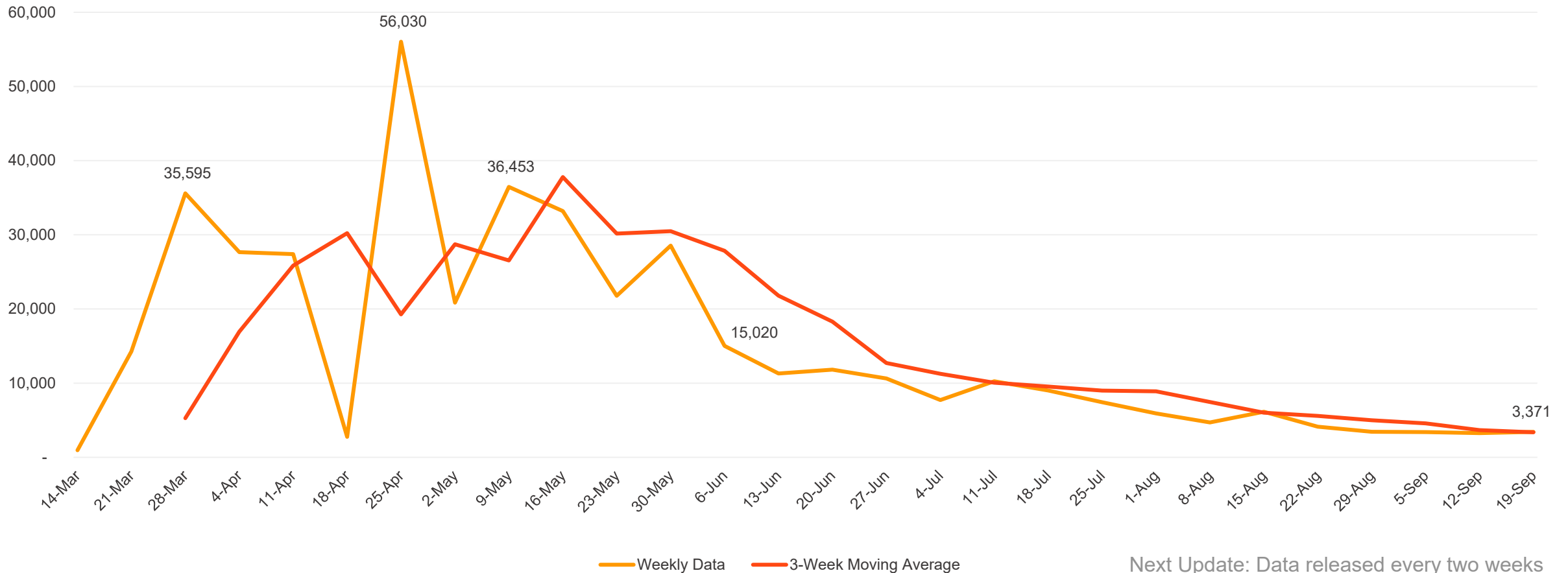
Next Update: Data released weekly

Source: US Dept of Labor



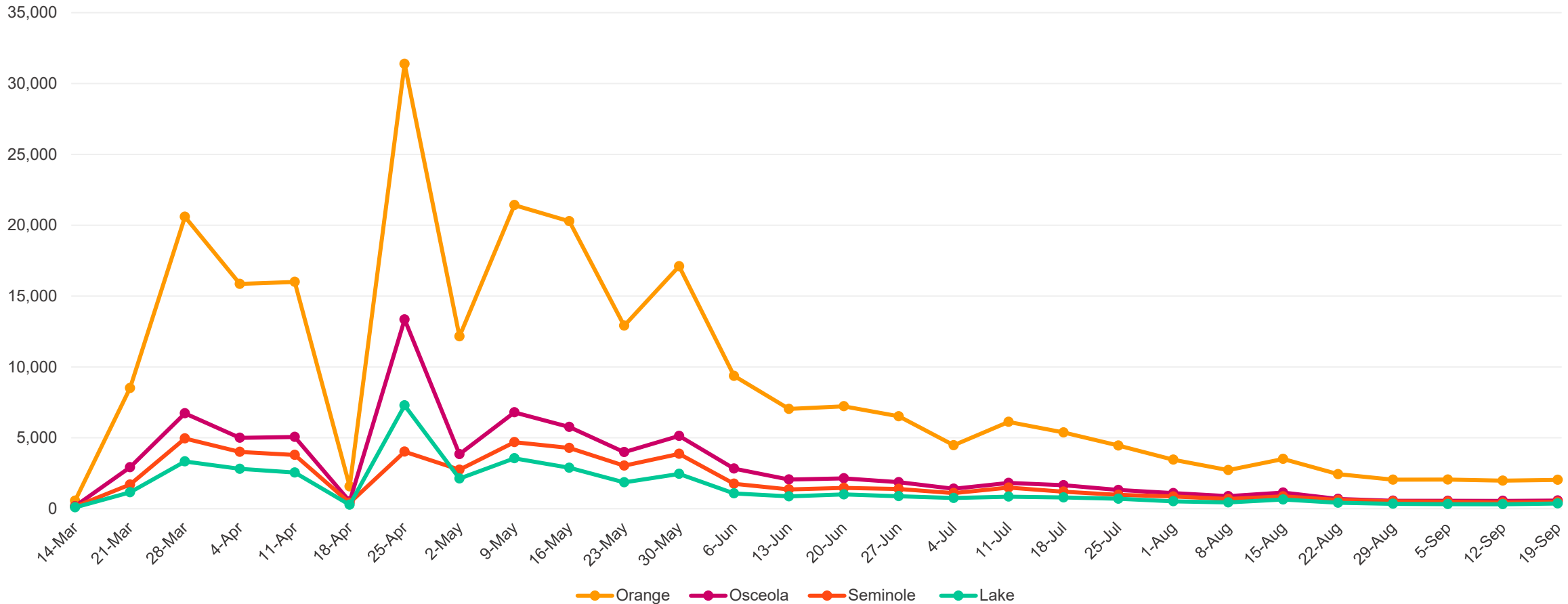
2) New Claims for Unemployment Insurance

New Claims for Unemployment Insurance, Orlando MSA
March 14- September 19, 2020



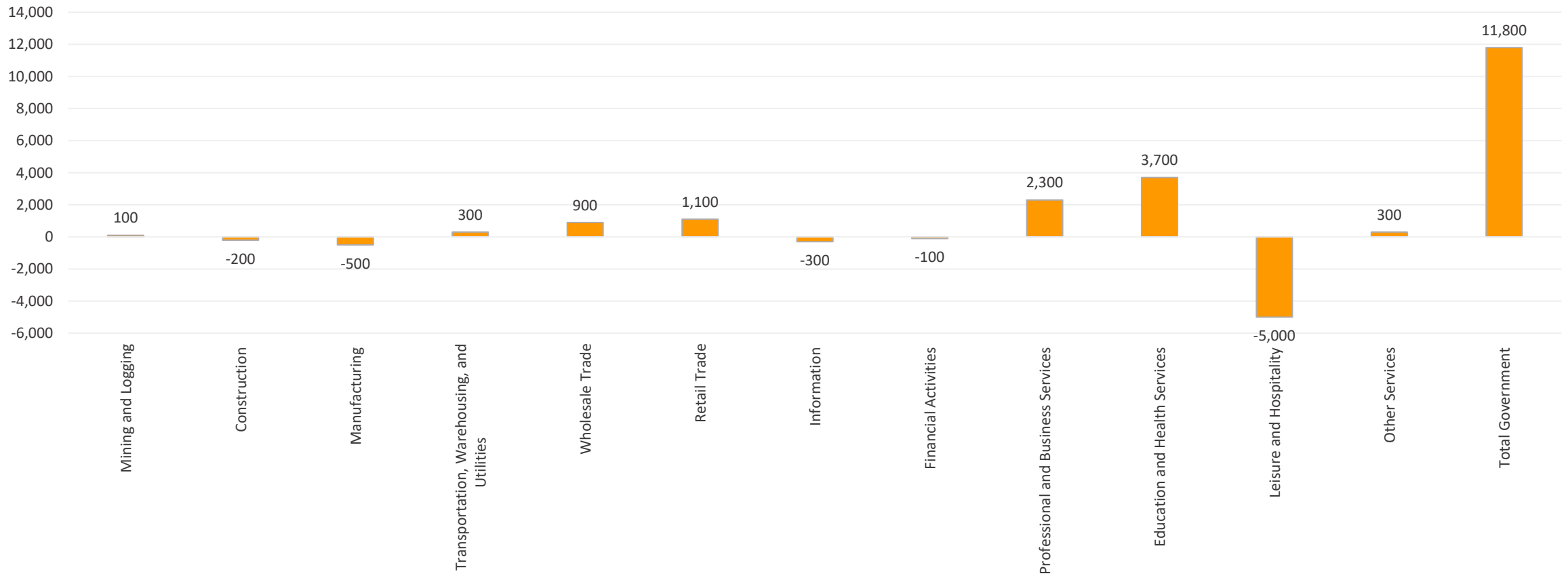
2) New Claims for Unemployment Insurance

New Claims for Unemployment Insurance, Orlando Counties
March 14 - September 19, 2020



3) Month to Month Job Change - By Industry

1-Month Change in Employment
July-August 2020 (Not Seasonally Adjusted)

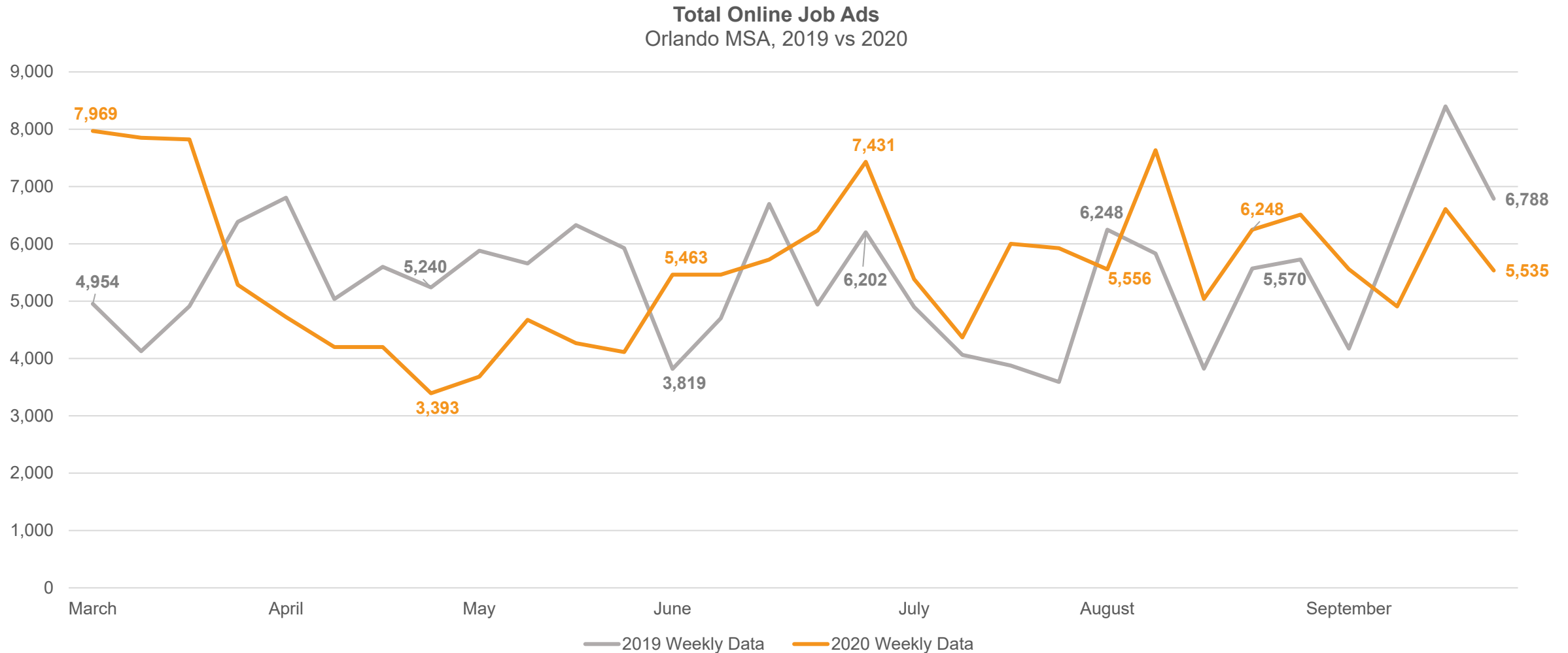


Next Update: September data released Oct. 20

Source: Florida Department of Economic Opportunity

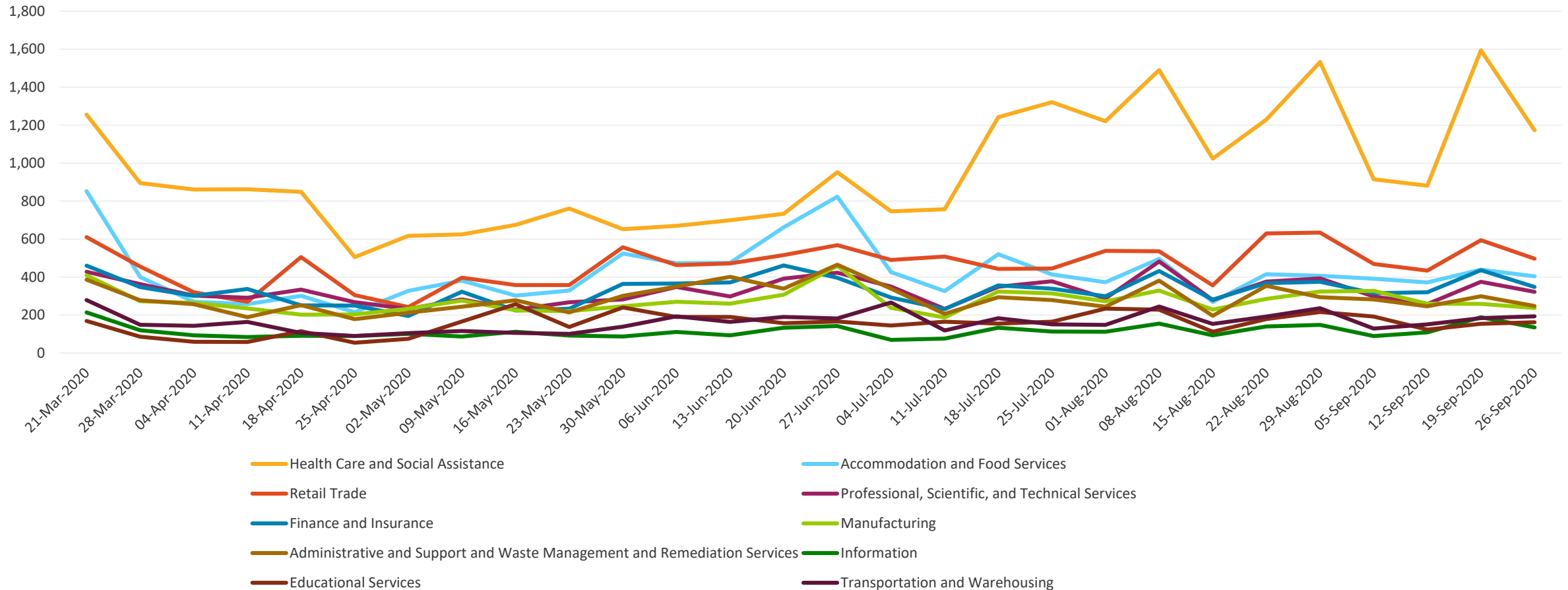


4) Job Postings – Time Series Analysis



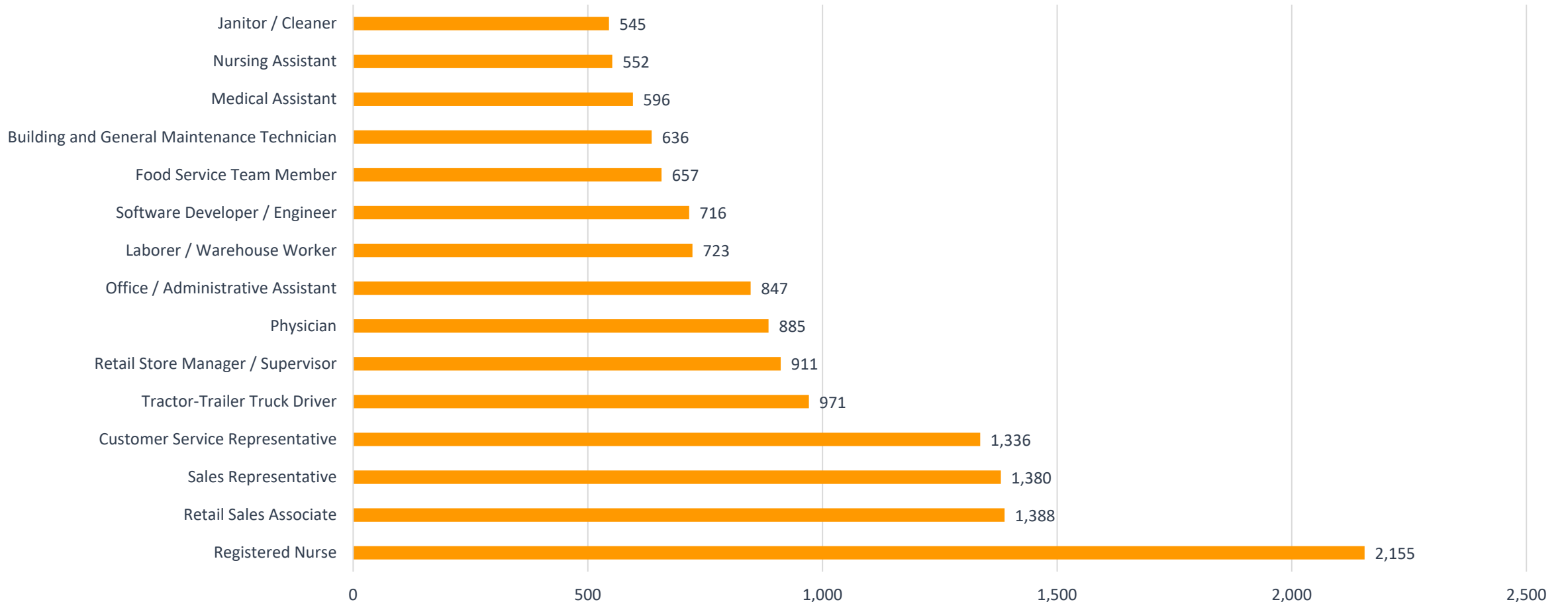
4) Job Postings – Top Industries

Top 10 Posting Industries
Orlando MSA, by Week Posted



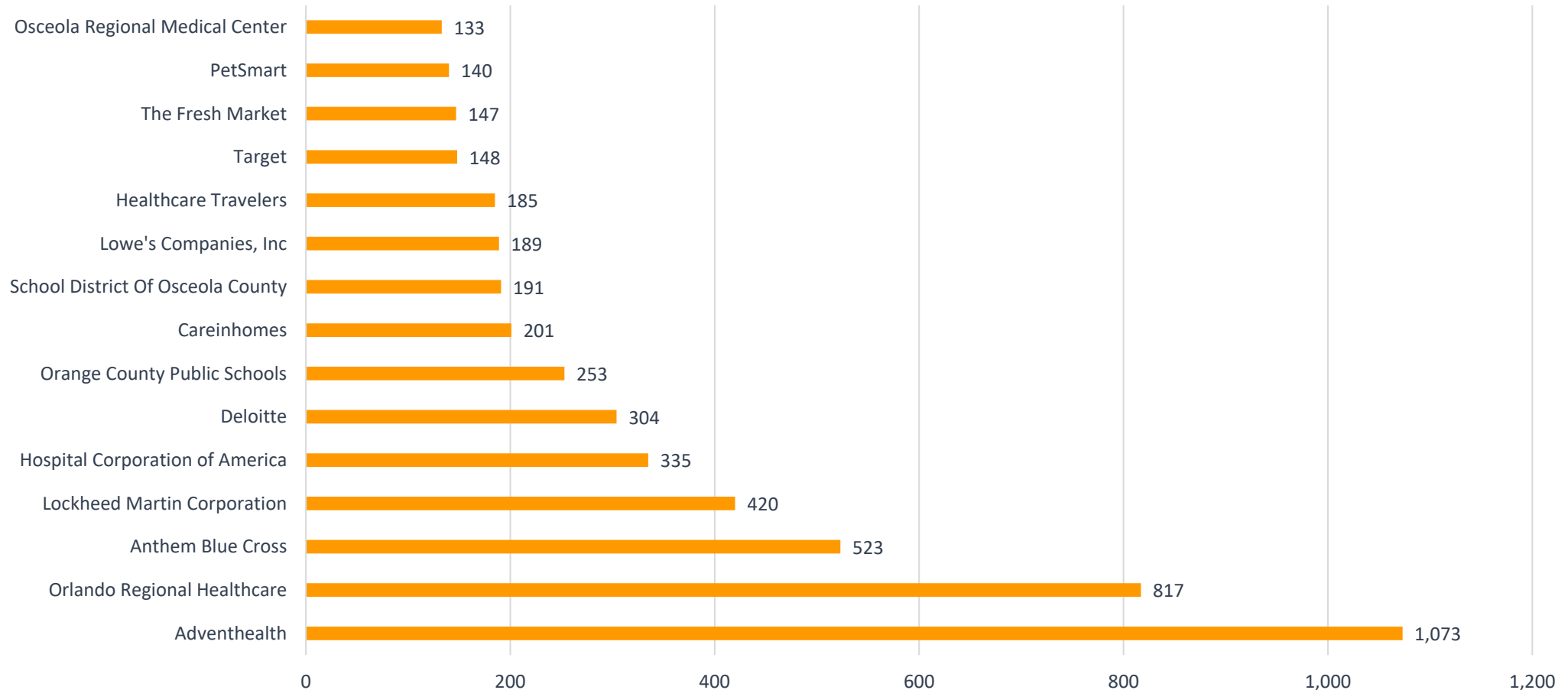
4) Job Postings – Top Jobs in Demand

Jobs in Greatest Demand
Orlando MSA, Last 60 Days Ending September 30, 2020



4) Job Postings – Top Employers

Employers With Most Job Openings
Orlando MSA, Last 60 Days Ending September 30, 2020



Key Takeaways

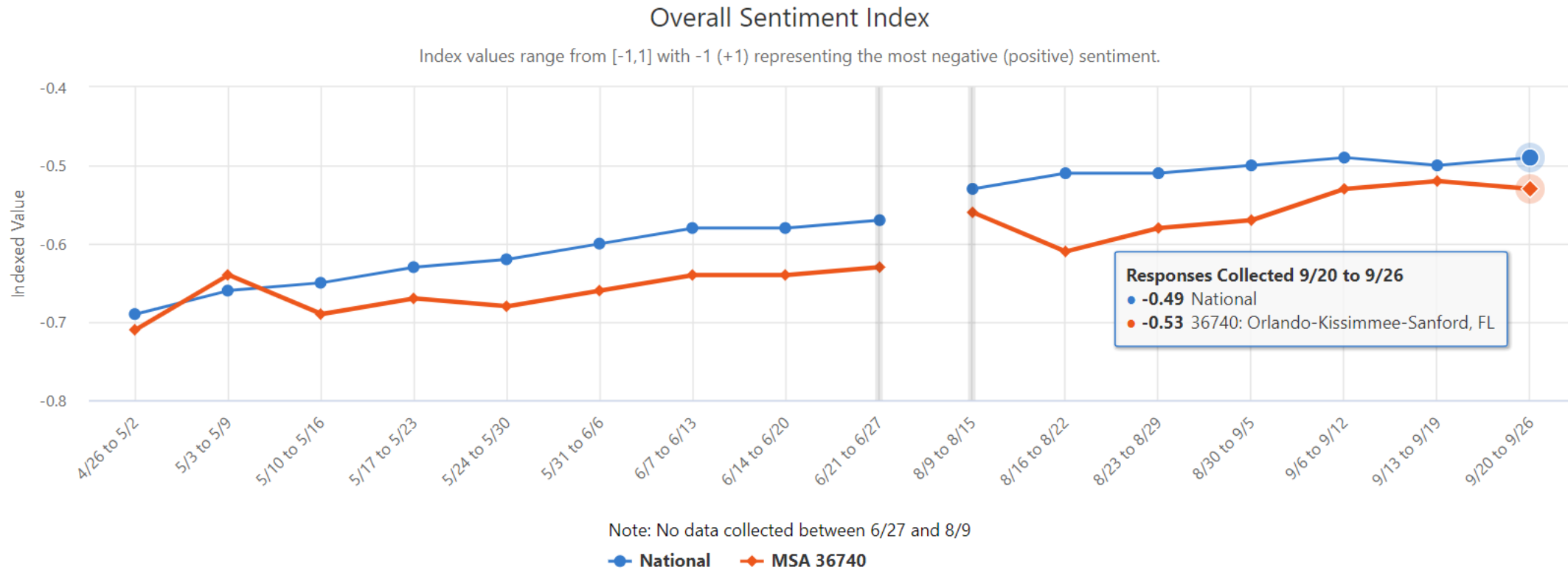
- Just released national data shows the US unemployment rate fell by half a percentage point to 7.9% in September. Among the major worker groups, the unemployment rates declined for adult men (7.4 percent), adult women (7.7 percent), Whites (7.0 percent), and Asians (8.9 percent). The jobless rates for teenagers (15.9 percent), Blacks (12.1 percent), and Hispanics (10.3 percent) showed little change over the month. The nation added 661,000 jobs back to the economy from August to September. Notable job gains occurred in leisure and hospitality, in retail trade, in health care and social assistance, and in professional and business services. For the month of August, the Orlando MSA reported an unemployment rate of 11.0%. All four counties in the Orlando MSA reported a decline in their unemployment rate: Seminole (7.2%), Lake (8.8%), Orange (11.6%), and Osceola (15.1%) (slide 5). The region added 14,400 jobs back to the economy from July to August, mainly in government work (slide 9).
- New weekly claims for unemployment insurance continue to decrease in Florida while the US reported a plateau (slide 6). The number of US claims is plateauing around the 880,000s for the 5th consecutive week. In Florida, claims continue to decrease, but at a slower rate. Florida reported 29,360 new weekly claims for unemployment insurance. As of September 19, claims for unemployment insurance in the Orlando MSA have remained between 3,200s-3,400s for the 4th consecutive week. The Orlando MSA reported 3,435 new weekly claims, a slight increase from the previous week. Claims in all four counties: Orange, Osceola, Seminole, and Lake saw a slight increase.
- Job posting data reflects real-time labor market information and business recovery. Slide 10 compares how the Orlando MSA labor market is behaving in contrast to 2019. In the most recent week, job postings saw a decrease of 16.2%, following a similar trend to 2019. Slide 11 shows this information broken out by top industries. Posting activity saw a decrease in health care and social assistance, retail trade, and financial and insurance, some of the major contributors to movements in overall posting activity. Employers in hospital and healthcare services, public schools, and defense continue to be the major job posters in the region. Note: Job posts do not measure hires and may include companies who continue to post jobs but are on a hiring freeze.



Small Business and Travel Insights

COVID-19 SPECIAL EDITION

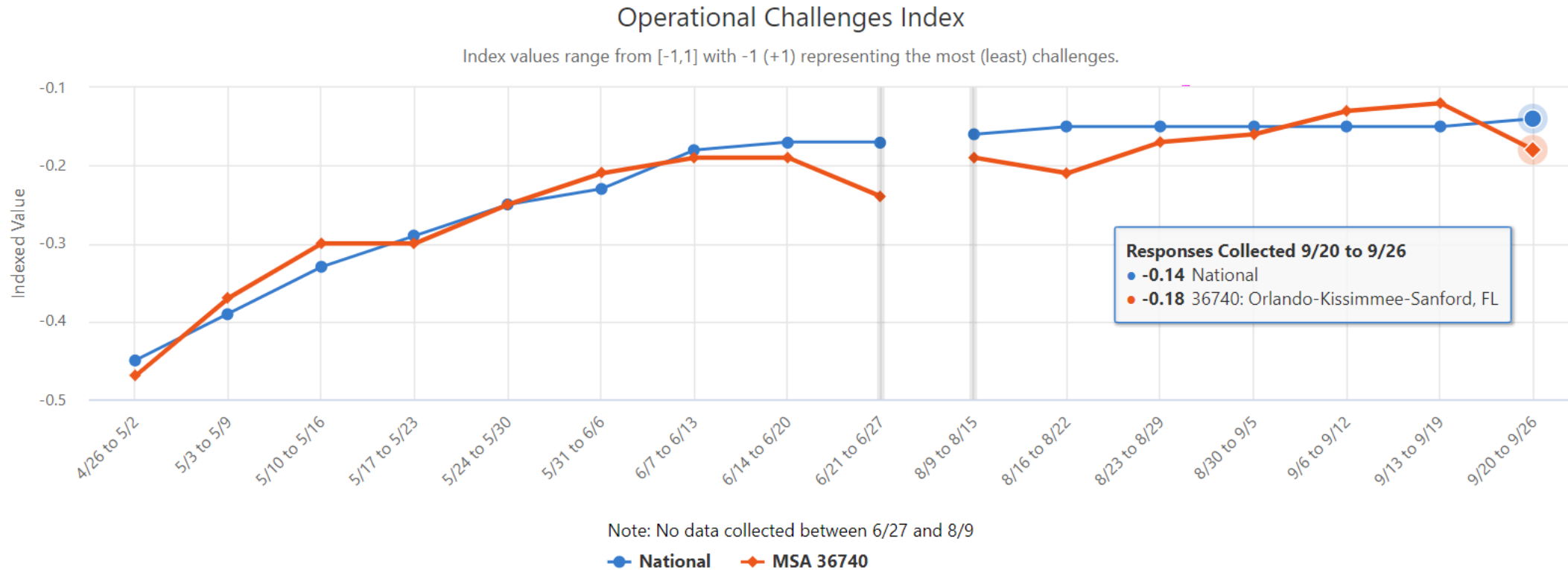
Local (MSA) Small Business Overall Sentiment



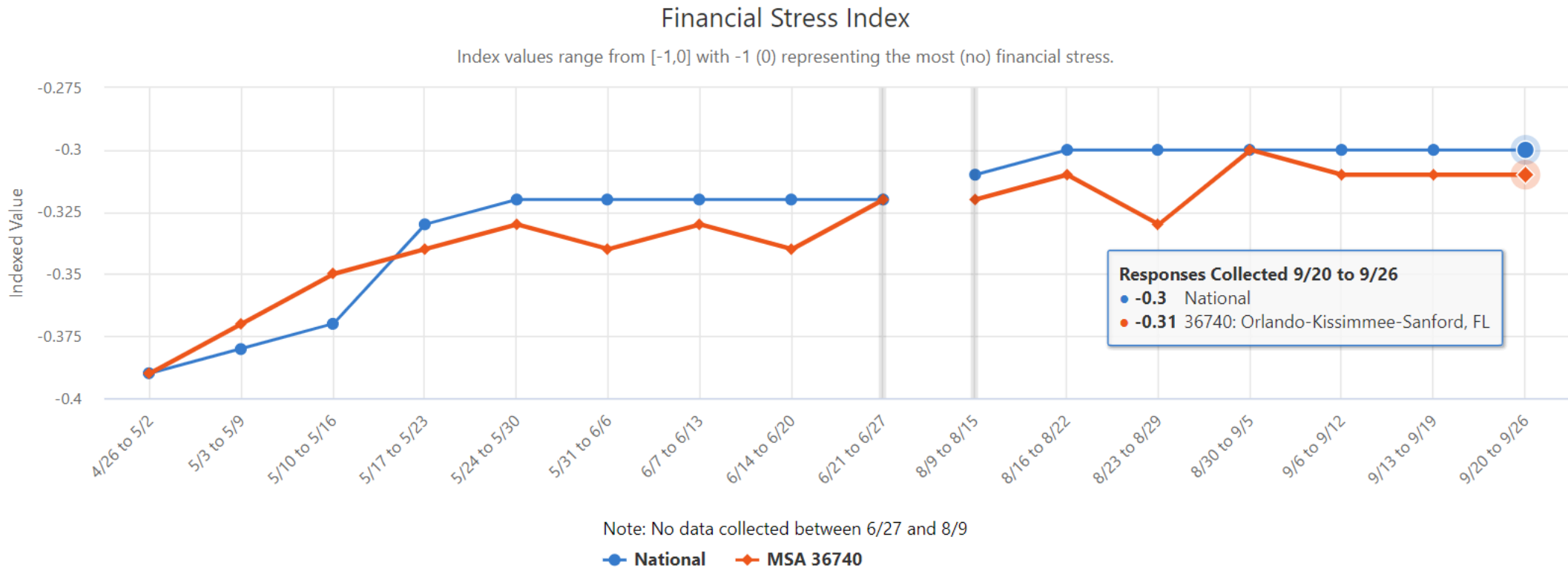
Source: US Census Small Business Pulse Survey Updated September 24th, 2020



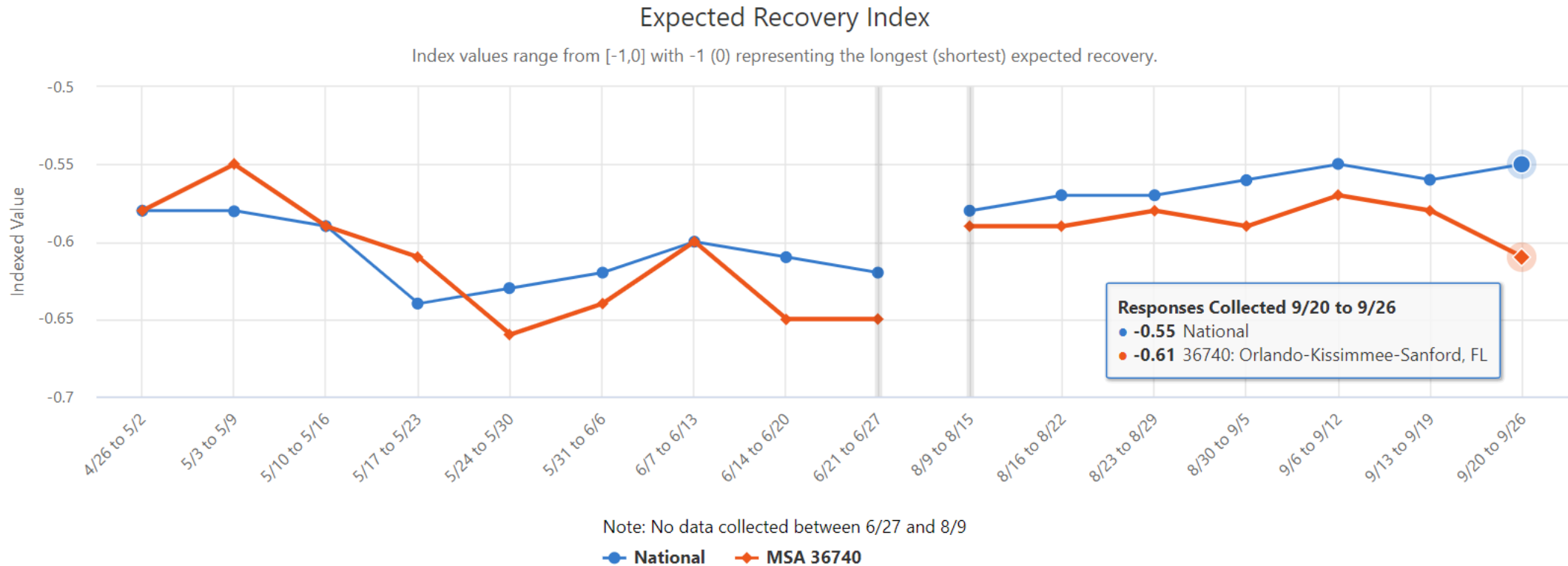
Local Small Business Operational Challenges Index



Small Business Financial Stress Index



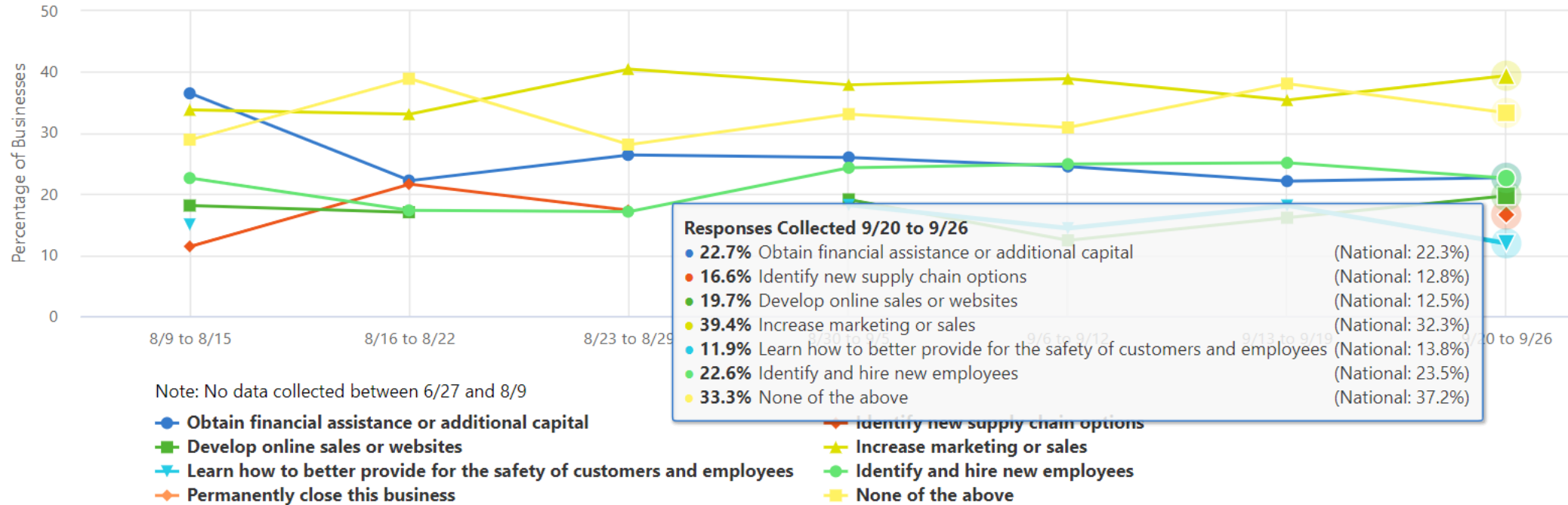
Small Business Expected Recovery Index



Small Business Recovery Strategies

In the next 6 months, do you think this business will need to do any of the following?

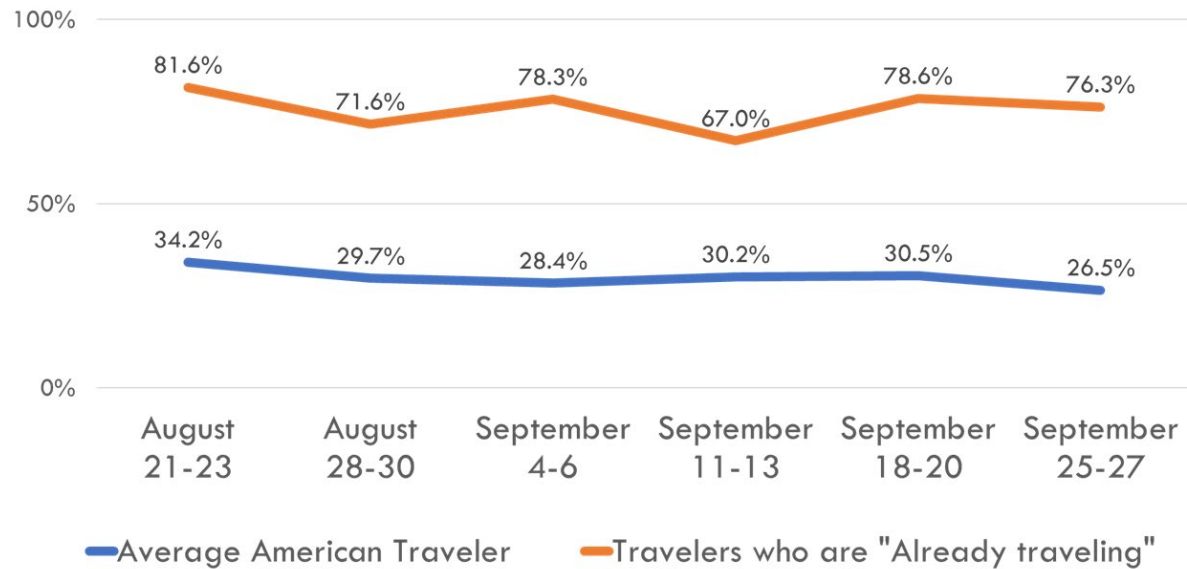
MSA 36740 Average (Orlando-Kissimmee-Sanford, FL)



Business Travel Insights

How confident are you that you can travel safely in the current environment?

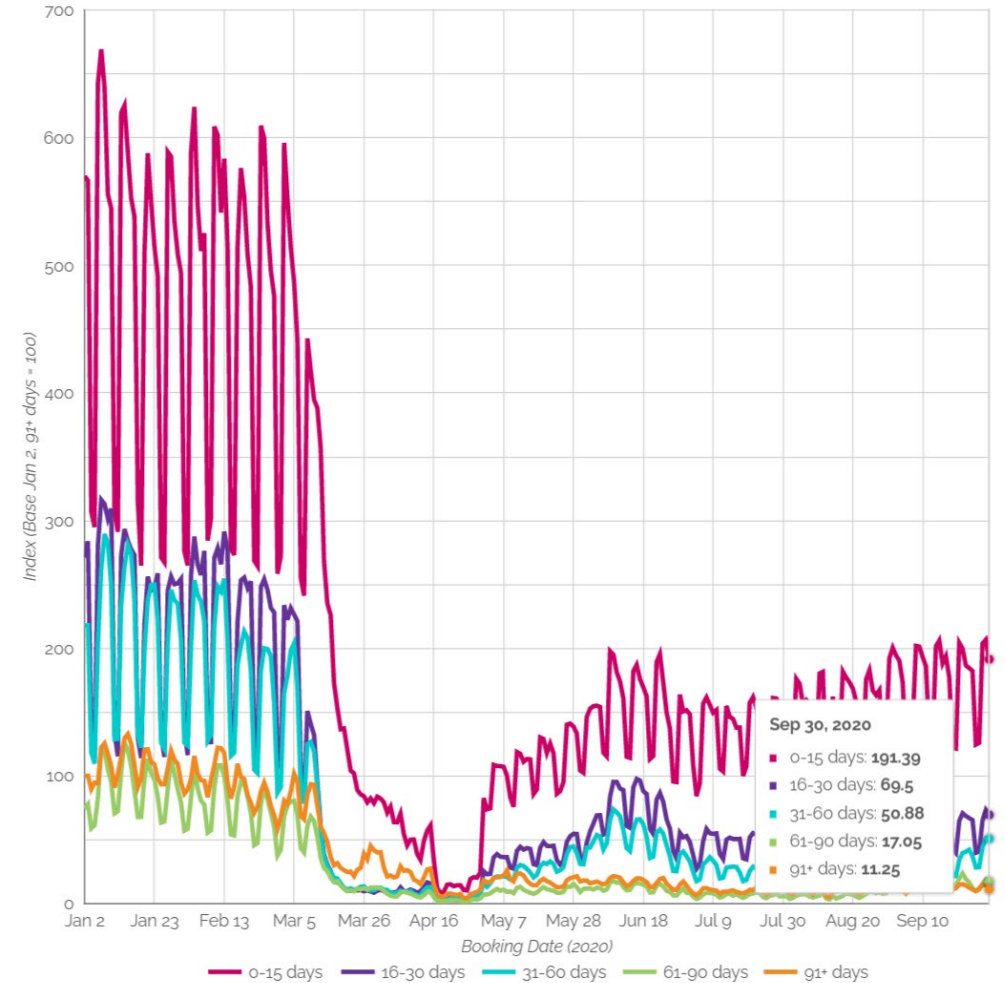
% who are "Confident" or "Very confident"



Source: Destination Analysts, Coronavirus Traveler Sentiment Index, Updated September 29, 2020



TRIP PURPOSE: BUSINESS



Source: Destination Analysts, Coronavirus Traveler Sentiment Index, Updated September 29, 2020

Key Takeaways: Local Small Business and National Travel

- Responses to the US Census Small Business Pulse Survey indicate that the area's overall sentiment remains slightly more negative than the national perspective, although trending more positive since the third week of August despite a down tick in the last week of data collection (September 20 – 26).
- Area small businesses experiencing financial stress appear to mirror the national picture. A measure of the overall outlook for recovery, as shown in the Expected Recovery Index, reflects the most divergent perspectives between regional (-0.61) and national respondents (-0.55) with Orlando small businesses expected recovery time period closer to six months away.
- A third of area small businesses indicate no plans to adjust their strategies in preparation for recovery. Regional emphasis on access to capital and identifying new hires mirrors national focus, but greater emphasis locally to be placed on identifying new supply chain options and increasing marketing and sales efforts.
- A quick check on the pulse of the nation's business travel indicates recovery continues to be an issue of consumer confidence. Business travel with short planning horizons continue to trend up, but nowhere near pre-pandemic volumes. MMGY's September 2020 Travel Intelligence report indicates that respondents' likelihood to take a domestic business trip during the next six months also increased, rising from 31% last month to 35% in the most recent results. Importantly, the percentage of business travelers who said they were not at all likely to take a business trip during the next six months declined significantly from 35% to just 25% this month.

