BY THE NUMBERS: ECONOMIC INDICATORS

July 2026

OPPORTUNITY AUSTIN REGIONAL PARTNERSHIP
EXPERIENCE ECONOMIC ADRENALINE

Executive Summary

Two exciting datasets were released this month, both reflecting the Austin region's continual growth and innovation. Pitchbook released their Q2 Venture Capital report, showing that companies in the Austin region raised approximately $6.5B YTD, more than twice the money raised in the same period during 2025 ($2.9B). Additionally, the Bureau of Labor Statistics released 2025 Occupational Employment and Wage Statistics, showing that the Austin region is fourth among the top 50 metros in the percent of STEM jobs, an increase from sixth last year. Opportunity Austin continues to track economic indicators throughout the region. Here are some key takeaways from our July report.

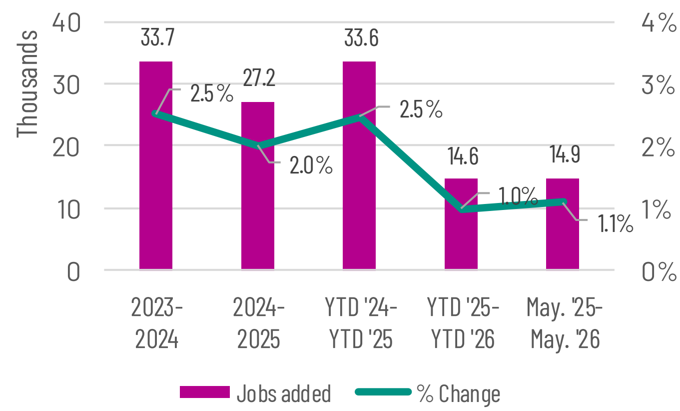
- Austin's YOY job growth totaled 14,900 in May 2026, ranking as the sixth fastest growing of the Top 50 largest metros at 1.1%, exceeding Texas' growth rate of 0.7%.
- The Austin region is the fourth-highest MSA in STEM-job density, an improvement from 6th last year.
- PitchBook released their Q2 VC estimates. In H1 2026, Austin region companies raised $6.5B, more than double the amount raised in 2025 H1 ($2.9B)

Non-Farm Payroll Job Growth

Job growth in Austin boosted in May '26 with an additional 6,900 jobs from Apr. '26 in the non seasonally adjusted series. Year over year, the figure was 14,900 added to the region since May '25.

Austin's job growth of 0.6% from May 2025 to May 2026 (1.1%) exceeded the overall rate in TX (0.7%) and the US (0.3%). Austin was ranked as the 6th best performing of the Top 50 metros in May 2026 for job growth. The Top 3 metros with the fastest job growth were Salt Lake City and Las Vegas at 2.1%, and San Jose at 1.5%. With growth of 0.7%, Fort Worth was the only other Texas metro within the Top 10.

Source: U.S. Bureau of Labor Statistics (BLS), CES.

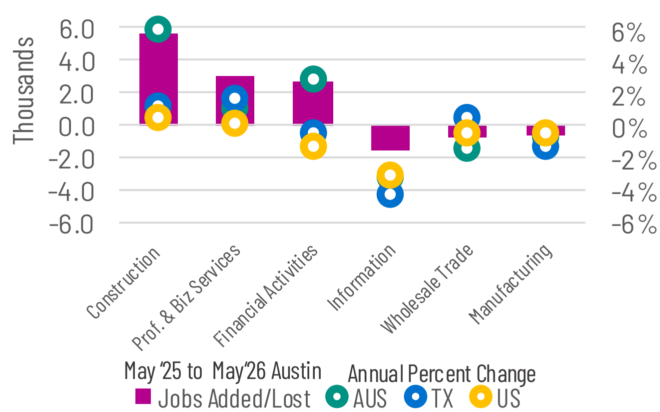


Top Job Gains/Losses by Industry, May 2026

The best performing industries in Austin over the last year were Construction, Natural Resources, & Mining (5,700 additional jobs, 6.1%), Professional & Business Services (3,000, 1.1%), and Financial Activities (2,700, 3.0%). Austin's growth rate for Construction and Financial Activities jobs significantly outperformed both TX and the US

The worst performing industries within the Austin region were Information (-1,600, -3.2%), Wholesale Trade (-800, -1.4%), and Manufacturing, (-600, -0.7%).

Source: U.S. BLS, CES.

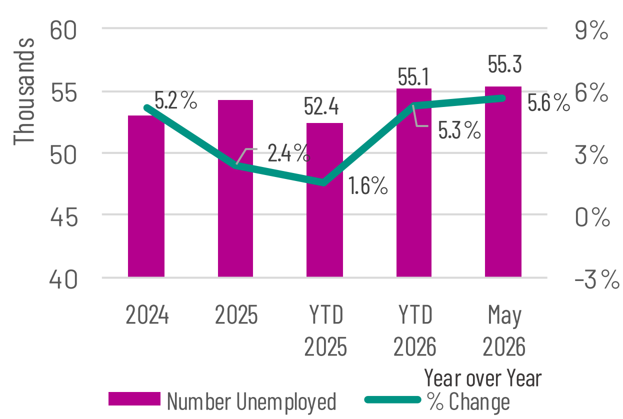


Unemployment

After a steep 5.2% increase in the number of unemployed individuals in 2024, the number increased at a slower rate, 2.4% in 2025. The number of currently unemployed people is 9.4% higher than one year ago, with increases in Texas and the US at 8.9% and 1.4%, respectively.

In May 2026, the number unemployed totaled 55,301 in the Austin region, which is 4,591 more than one year ago. In TX, the state experienced 52,734 more unemployed over the past year, while the total across the US was 89,000 higher.

Source: U.S. BLS, LAUS.



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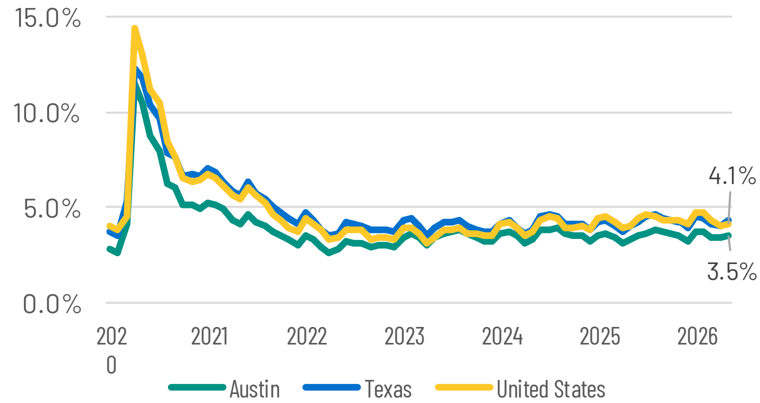
Unemployment Rate Comparison

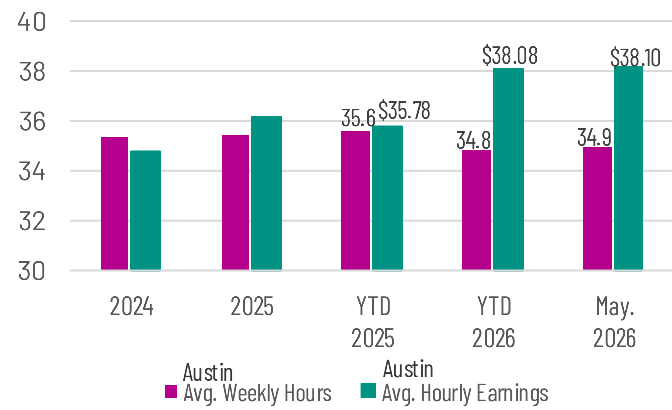


The unemployment rate for the Austin region was 3.5% in May 2026, which is 0.2 higher than one year ago. Austin's rate continues to perform better than both TX and the U.S. at 4.3 and 4.1 respectively. Other TX metros including Dallas-Fort Worth, 4.0%, San Antonio, 4.1%, and Houston, 4.6% were all higher than Austin's rate. In May 2026, Austin had the twelfth lowest unemployment rate of the Top 50 US metros.

Since recovering from a peak of 11.5% during COVID, Austin's rate averaged 3.5% in 2023, 2024, and 2025. TX's rate rose to 12.3% during COVID and declined to 4.0% in 2023 and has since averaged 4.2% in 2025. The US rate reached 14.4% in COVID and declined to 3.6% in 2023 but has since risen to 4.3% in 2025.

Source: U.S. BLS, LAUS.

Workforce Hours & Earnings

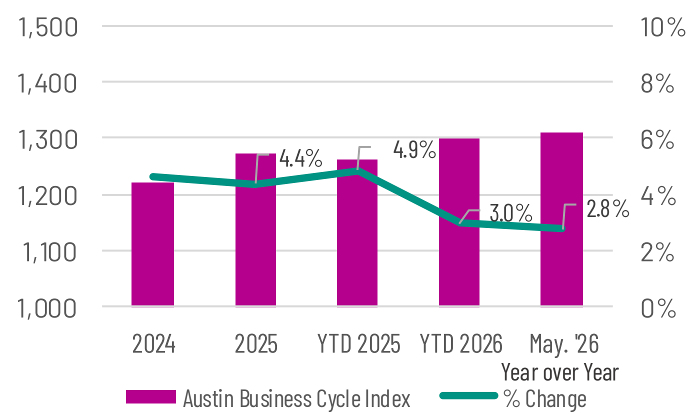


The average number of hours worked for payroll jobs in the Austin region in May 2026 was 34.9, down from 35.5 this time last year. For 2026 YTD, hours worked is down 2.1% from 2025 YTD. Texas employees worked slightly more this year at 36.1, compared to last year's 36.0; while the US average was 34.3.

Average hourly earnings rose in Austin were $36.11 in 2025, up 3.9% compared to increases of 4.6% in Texas and 4.0% in US. For the first five months of 2026, average earnings in Austin were up 6.4% from $35.75 to 38.08. Increases both in the TX and the US were less profound at 2.6% and 3.5%, respectively.

Source: U.S. BLS, CES.

Metro Business Cycle Index

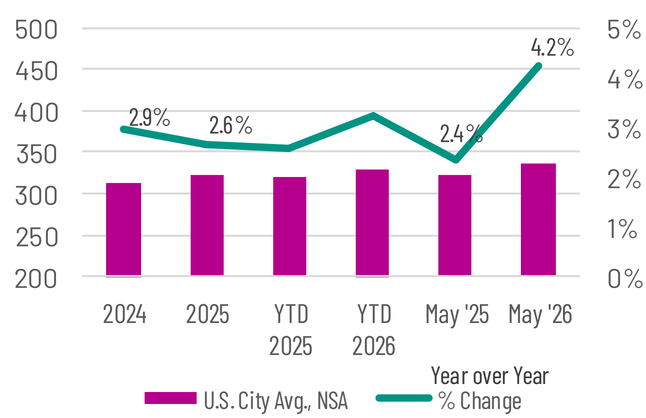


The Austin metro's business cycle index continues to show growth in both the YTD and YoY comparison through May. After growth of 4.4% in 2025, the rate slowed to 3.0% for YTD 2026 compared to YTD 2025 growth of 4.8%.

Statewide, the business cycle index growth grew by 2.2% from YTD 2025 to YTD 2026, compared to growth of 2.9% from YTD 2024 to YTD 2025. Across Texas, YTD growth in the other major metros were 1.1% in Houston and 1.0% and San Antonio, while Dallas and Ft. Worth were 2.8% and 2.7%, respectively. Produced by the Federal Reserve of Dallas, the business cycle index reflects broad economic conditions including unemployment, inflation-adjusted wage and retail sales growth.

Source: Dallas Federal Reserve.

Consumer Price Index



After reaching a 40-year high of 8.0% in the annual percent change in 2022, the U.S. Consumer Price Index growth fell to 2.9% in 2024 and 2.6% in 2025. For the year ending May 2026, the CPI increased 4.2%. The biggest contributors to the increase were Energy, up 23.5% from last year with Fuel oil up 58.9% and Gasoline up 40.5%. Shelter and Medical services were each up 3.4% and 3.6% from last year.

While a CPI is not produced for the Austin metro, the Houston and Dallas metro indices were both up by 1.3% in 2025, which is improved from inflation rates of 2.5% and 3.9% in 2024, respectively.

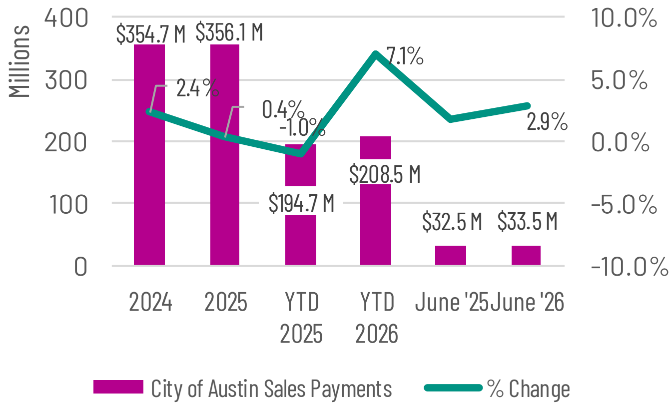
Source: U.S. BLS, CPI.

Sales Tax Receipts

Sales tax allocation payments to the City of Austin totaled $356 million in 2025, a slight increase of 0.4% over 2024. Previously, payments were up 2.4% in 2024. For June 2026, the City of Austin received $29.8 million, up 1.8% from June 2025. YTD 2026 receipts are up 6.7% compared to -1.9% in YTD 2025.

In Round Rock, receipts totaled $129M and were up 10.5% in 2025 following a drop of -1.4% in 2024 and growth of 1.4% in 2023. San Marcos received 0.5% more in sales tax receipts in 2025 to $39M, which follows a decline of -2.1% in 2024 and growth of 4.2% in 2023. For YTD 2026 receipts were up 3.5% in Round Rock and up 3.6% in San Marcos over YTD 2025.

Source: Texas Comptroller

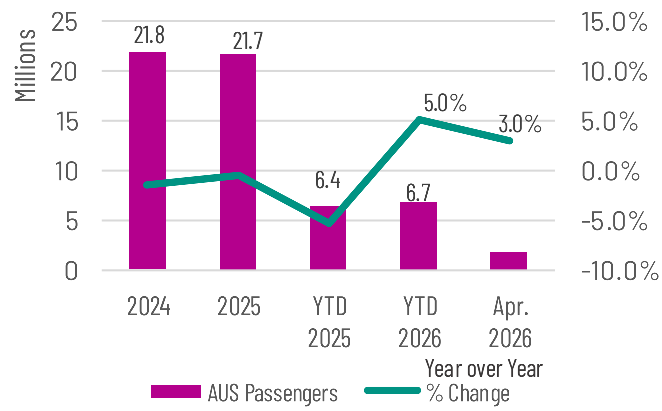


AUS Airport Passenger Activity

Annual passenger counts through the Austin airport hit 21.6 million passengers in 2025, a drop of 0.4% from 2024. Through Apr. 2026, YTD totals are 6.7 million, up from the same time last year at 6.4 million. April 2026 had a total passenger volume of 1.81 million.

Total cargo (including Belly freight, cargo and mail) totaled 276.4 million pounds in 2025, down 8.5% from 301.9 million pounds in 2024. The annual record for total cargo occurred in 2022 with 310.1 million pounds transported. Apr 2026 YTD cargo totaled 89.82 million pounds, which was a 0.6% increase from the same period last year.

Source: City of Austin.

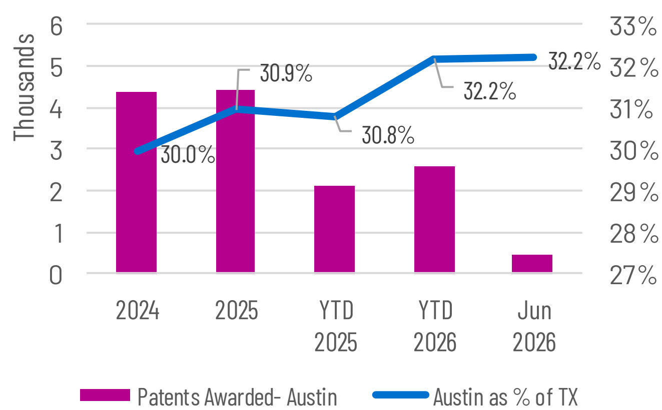


Patent Activity

Austin inventors are averaging 4,520 patents applied each year during the 2020's, which is higher than the 3,762 averaged during the 2010's. Patent activity totaled 4,442 in 2025, up 1.1% from 2024. Texas saw a 2.2% drop in patents in 2025, while the US was up 0.3%. In Austin, 2026 YTD patents filed totaled 2,559 through May, up by 21.7% from YTD 2025.

Austin represents approximately 32.2% of patent activity in TX this year. This is a truly remarkable data point since the Austin MSA only represents around 8% of the entire population of the State. Austin's share of TX patents increased to 30.9% in 2025, up from 30.0% in 2024 and 29.5% in 2023.

Source: U.S. Patent & Trademark Office.



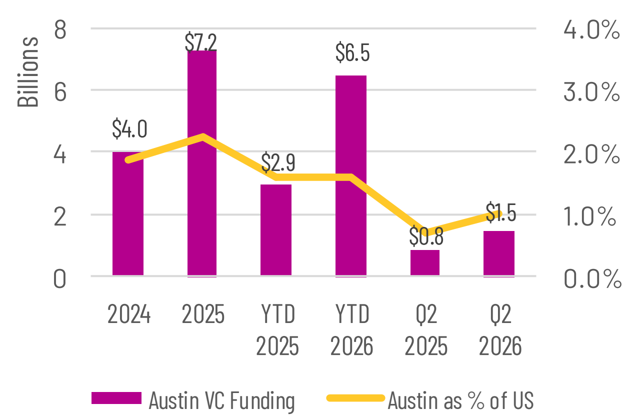
Venture Capital Investment

Venture Capital funding in Austin reached record levels with a total $7.24 billion raised in 2025, up 80.4% from $4.01 billion in 2024. Previously, Austin's record VC funding year was 2021 when $6.88 billion was raised.

The Austin region continued it's high pace of VC funds raised, with 2026 YTD data reaching $6.5B, more than twice the 2025 YTD funds raised of $2.9B. Austin remains the 5th biggest VC market in the United States, only behind San Francisco/San Jose, New York, Los Angeles, and Boston.

The largest deals in Q2 were NinjaOne, $400M; Ollin Biosciences, $330M, and Allen Control Systems, $200M.

Source: Pitchbook.

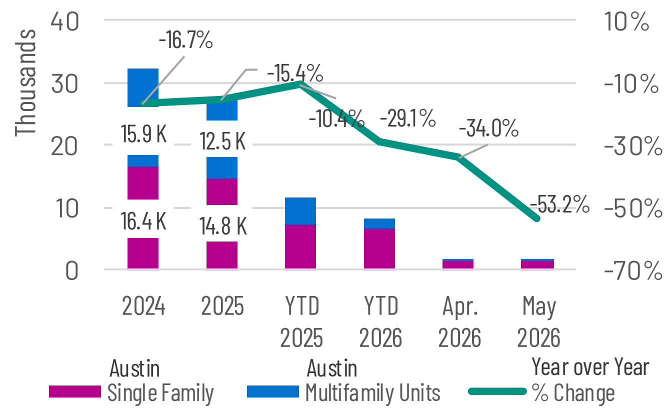


Housing Permit Activity

Building permits issued in the Austin region came down from historic highs of between 42,000 to 51,000 units in 2022 and 2021. Last year a total of 27,300 units were issued, down 15.4% from 2024. In Austin, 2026 YTD permits through May were 8,240, down from 11,620 last year, a 29% decrease. Nationally, total permits were down -1.9% this year.

For last year in the Austin region, the share of single-family units exceeded multifamily, a continuation from 2024. Previously from 2021 to 2023, multifamily permits exceeded single family. In May 2026, 1,422 single family permits were issued compared to only 127 multifamily units.

Source: U.S. Census Bureau Building Permits Survey.

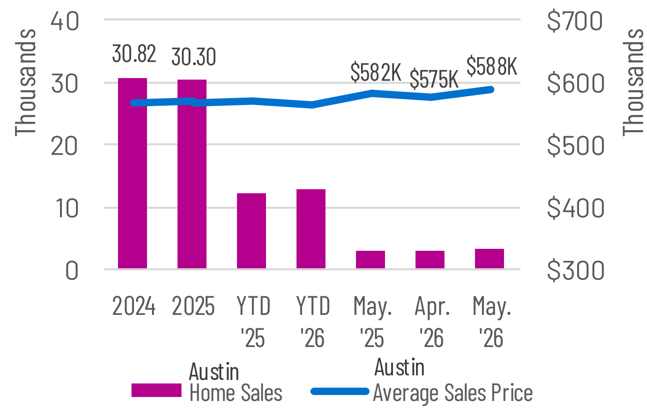


Home Sales

Home sales in the Austin region peaked at 41,094 in 2021. In the past 3 years, total sales have been lower, averaging 30,500. However, for YTD 2026, sales are up by about 864 or 7.1% compared to the same time last year. Statewide, YTD sales are up 2.1% compared to 2025, while U.S. sales are up 0.7%.

The average sales price in the Austin region was $570,480 in 2025, a slight increase of about $3,000 from 2024. In May 2026, the average sales price was $588,114, which was up from $581,871 one year ago. In May 2026, months on inventory in Austin was 5.4 months, .4 months less than one year ago.

Source: TX A&M Real Estate Research Center.

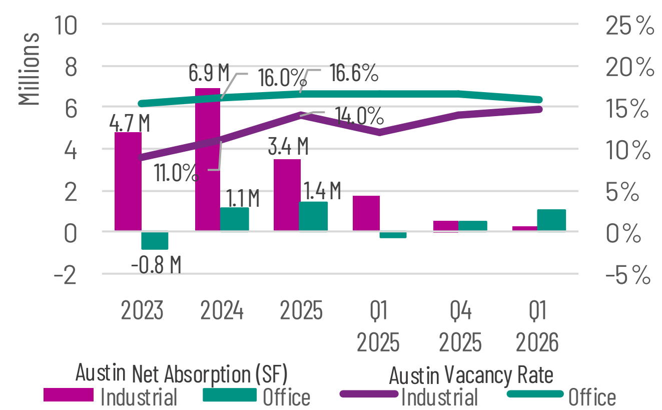


Commercial Real Estate Activity

After having office vacancy rates of around 7 to 8% just before COVID in the Austin region, continued new construction delivery and softened leasing activity has brought the office vacancy rate up to 16.6% in 2025 compared to 16.0% in 2024. The current office market totals 138M SF, having added 18.4M SF of new inventory since 2020 Q2. Quoted lease rates in 2026 Q1 ticked down to $43.70 from $44.15 in 2025 Q4.

Likewise, the Austin industrial market has grown to 176M SF, adding 63M SF since 2020 Q2 or 55% growth over 5 years. The vacancy rate reached 14.0% in 2025, up from 11.0% in 2024. Quoted lease rates were $14.78 in 2026 Q1.

Source: CoStar.



Upcoming Releases

The Bureau of Labor Statistics' OEWS data provides a wealth of datapoints on the STEM workforce in the Austin region. In the coming weeks, a deeper dive on other key takeaways will be published. Besides that, our indicators will resume their regular release cadence for coming months. Other upcoming releases include:

- The Federal Reserve's Federal Open Market Committee will announce any Federal Funds interest rate decision on July 29th
- The U.S. BLS Metropolitan Area Employment and Unemployment Statistics for June 2026 on July 29th, 2026.

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Thank you for your support of Opportunity Austin. Please reach out to collaborate with our research team.

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