

NC Economy Watch

January 2025

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What will 2025 bring for the NC economy?

The economic outlook is as **uncertain** as it's ever been

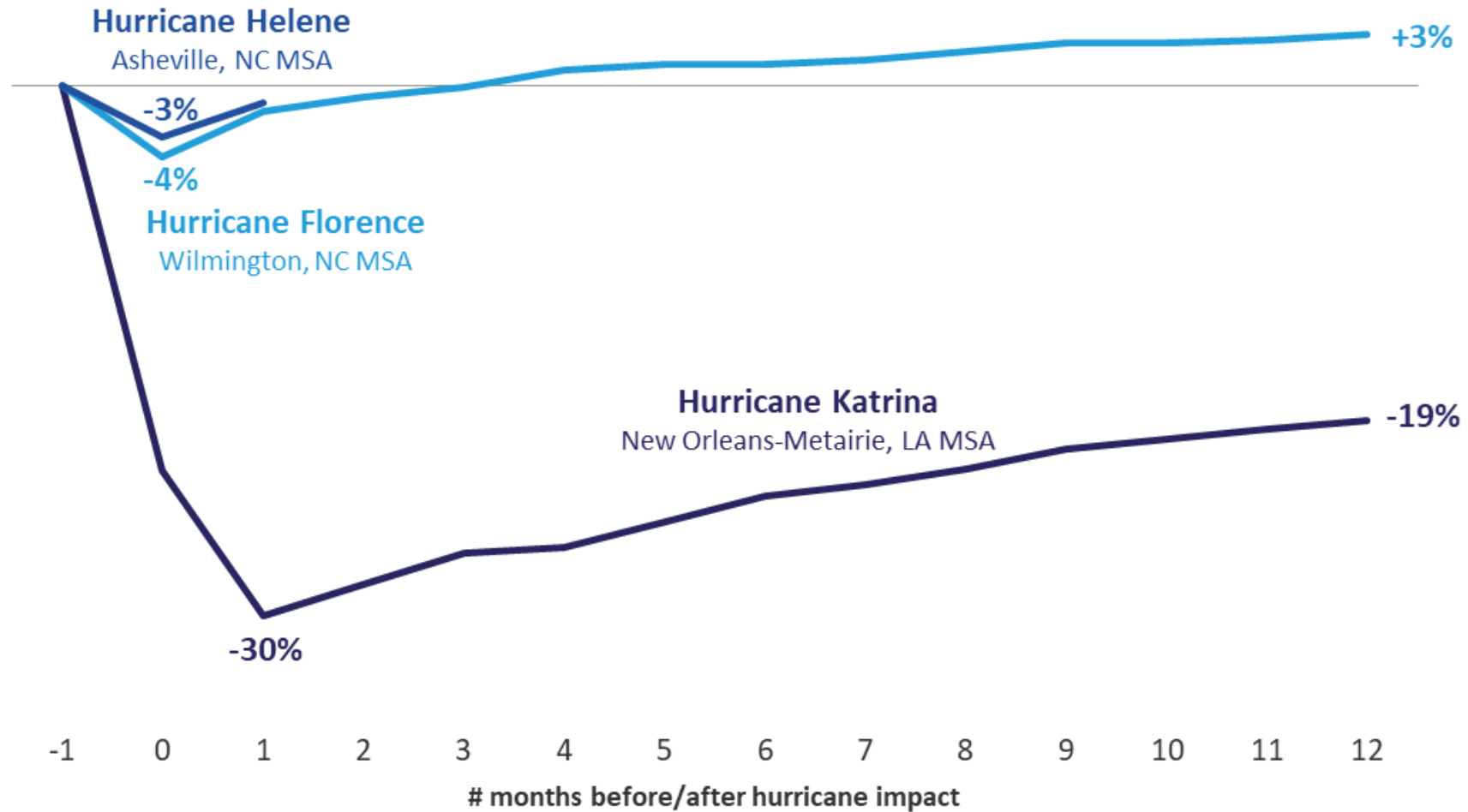
We appear to be approaching a **turning point** for our economy, but it's difficult to know whether the economy is headed upwards, downwards, or sideways

Three big questions we'll be asking as 2025 gets underway:

- Will Asheville's labor market recover from **Hurricane Helene**?
- Will labor market conditions improve for **jobseekers** across the state?
- Will we see any more relief on **interest rates**?

Will Asheville's labor market recover from Hurricane Helene?

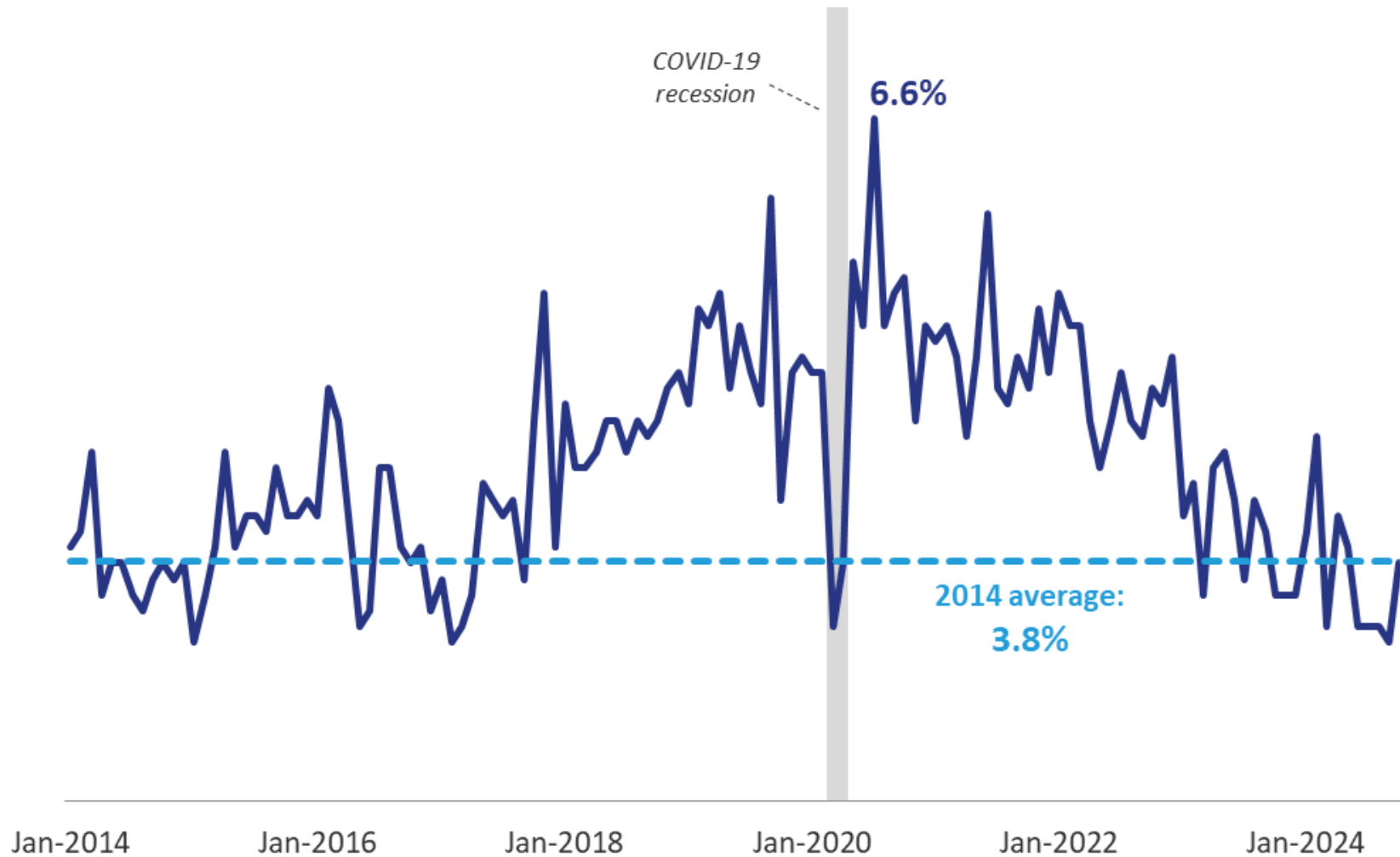
% change in total nonfarm employment following impact of hurricanes



NC Department of Commerce, Labor & Economic Analysis Division (LEAD)
Source: US Bureau of Labor Statistics (Current Employment Statistics)

Will labor market conditions improve for jobseekers?

Hires as a share of total nonfarm employment in North Carolina (Jan 2014 - Nov 2024)

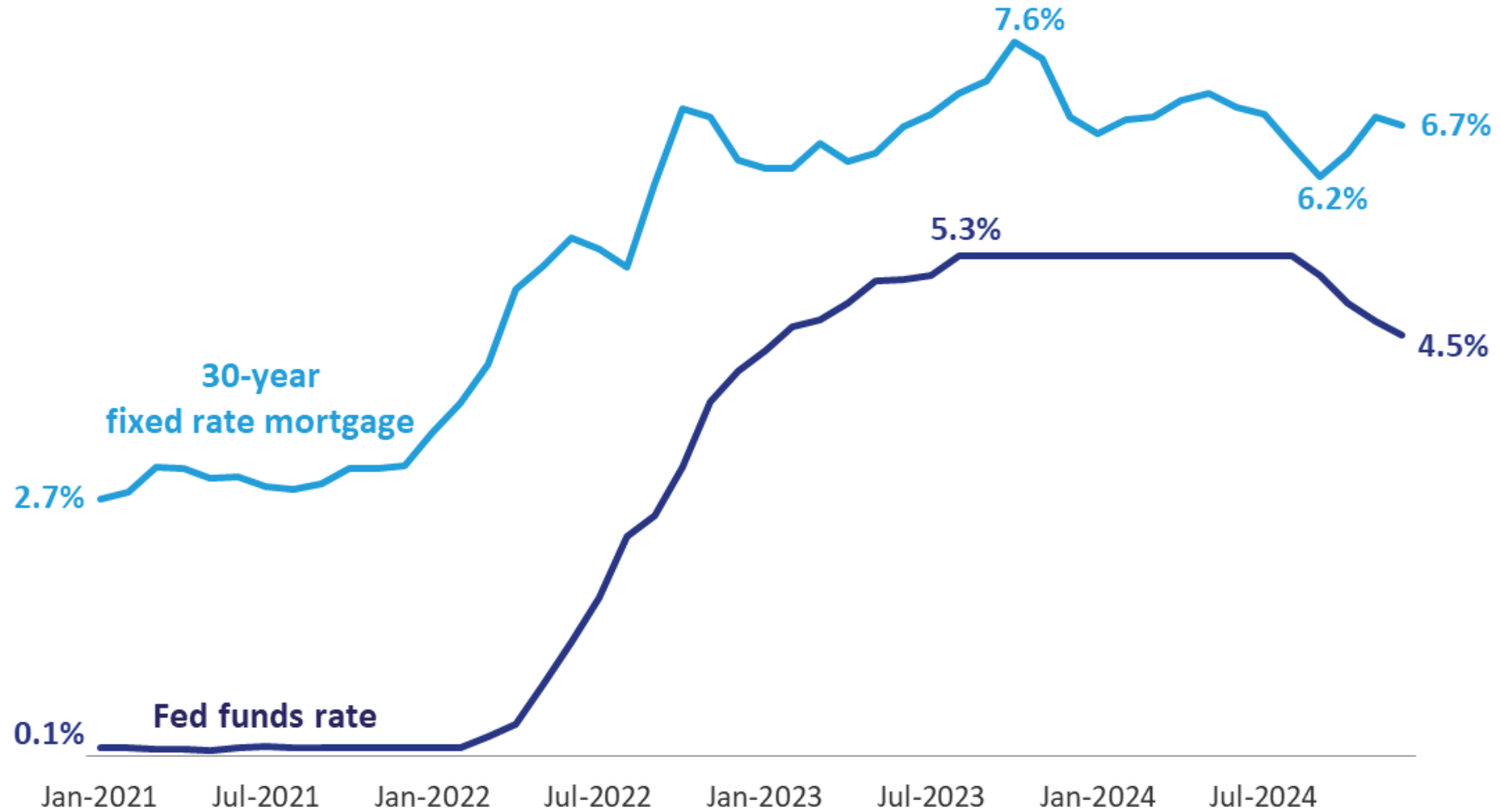


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Source: US Bureau of Labor Statistics (Job Openings and Labor Turnover Survey)

Will we see any more relief on interest rates?

Average interest rates in the United States (Jan 2021 - Dec 2024)



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Source: Federal Reserve; Freddie Mac

The outlook

What are our expectations for 2025?

Helene recovery: preliminary signs of improvement are a cause for optimism, but many Asheville-area residents continue to endure severe economic hardship

Labor markets: many economists are optimistic about the year to come, but we can't rule out the possibility that job-finding conditions will deteriorate further

Interest rates: borrowing costs have declined somewhat, but rates probably won't fall much further unless inflation slows or the economy crashes

How will these trends unfold in 2025? **Stay tuned** to find out!

Resources of interest

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Three Big Questions for 2025

<https://www.commerce.nc.gov/news/the-lead-feed/january-2025-nc-economy-watch>

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“Thank you!”

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