

State of the Northwest Arkansas Economy

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Center for Business and Economic Research

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INDICATOR	MOST RECENT ANNUAL DATA	VALUE FROM 1 YEAR PRIOR	CHANGE
Population Estimate, <i>July 2024</i>	605,547	590,295	2.6% 
Real GDP <i>(millions of chained 2017 dollars), 2023</i>	\$33,361	\$32,911	1.4% 
Avg. Annual Unemployment Rate, <i>2024</i>	2.7%	2.4%	0.3% 
Total Nonfarm Employment, <i>2024</i>	307,000	299,200	2.6% 
Median Household Income, <i>2024</i>	\$81,208	\$77,695	4.5% 
Average Annual Wages, <i>2024</i>	\$59,550	\$56,540	5.3% 
Business Establishments, <i>2024</i>	15,779	15,654	0.8% 
% of Adult Population <i>w/a bachelor's degree or higher, 2024</i>	38.20%	36.60%	1.6% 
Poverty Rate, <i>2024</i>	11.0%	10.4%	0.6% 
R&D Expenditures <i>(thousands), 2023</i>	\$221,525	\$184,080	20.3% 
Average Domestic Airfare, <i>2024</i>	\$465	\$492	5.6% 

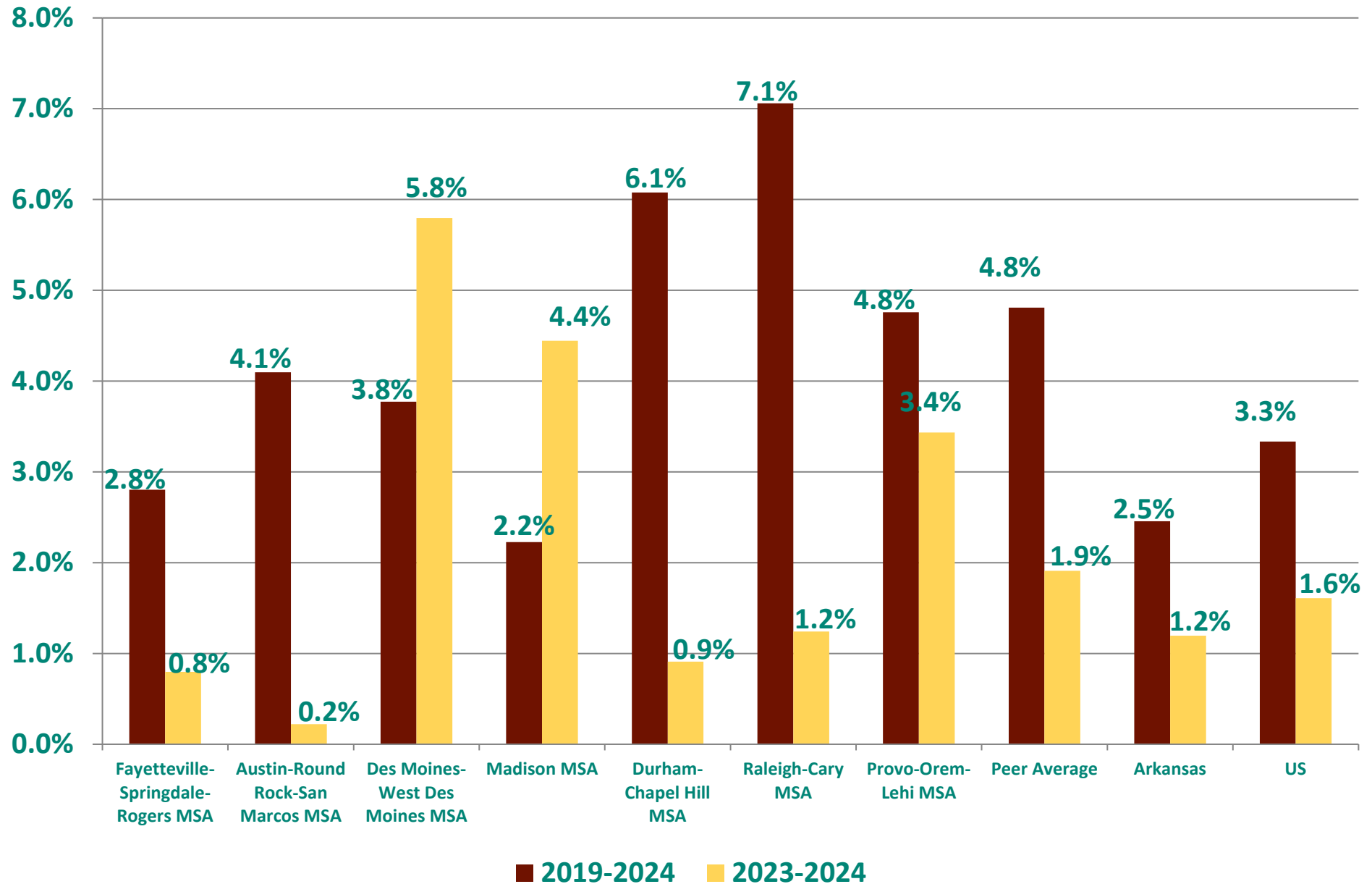


Peer Regions Overview

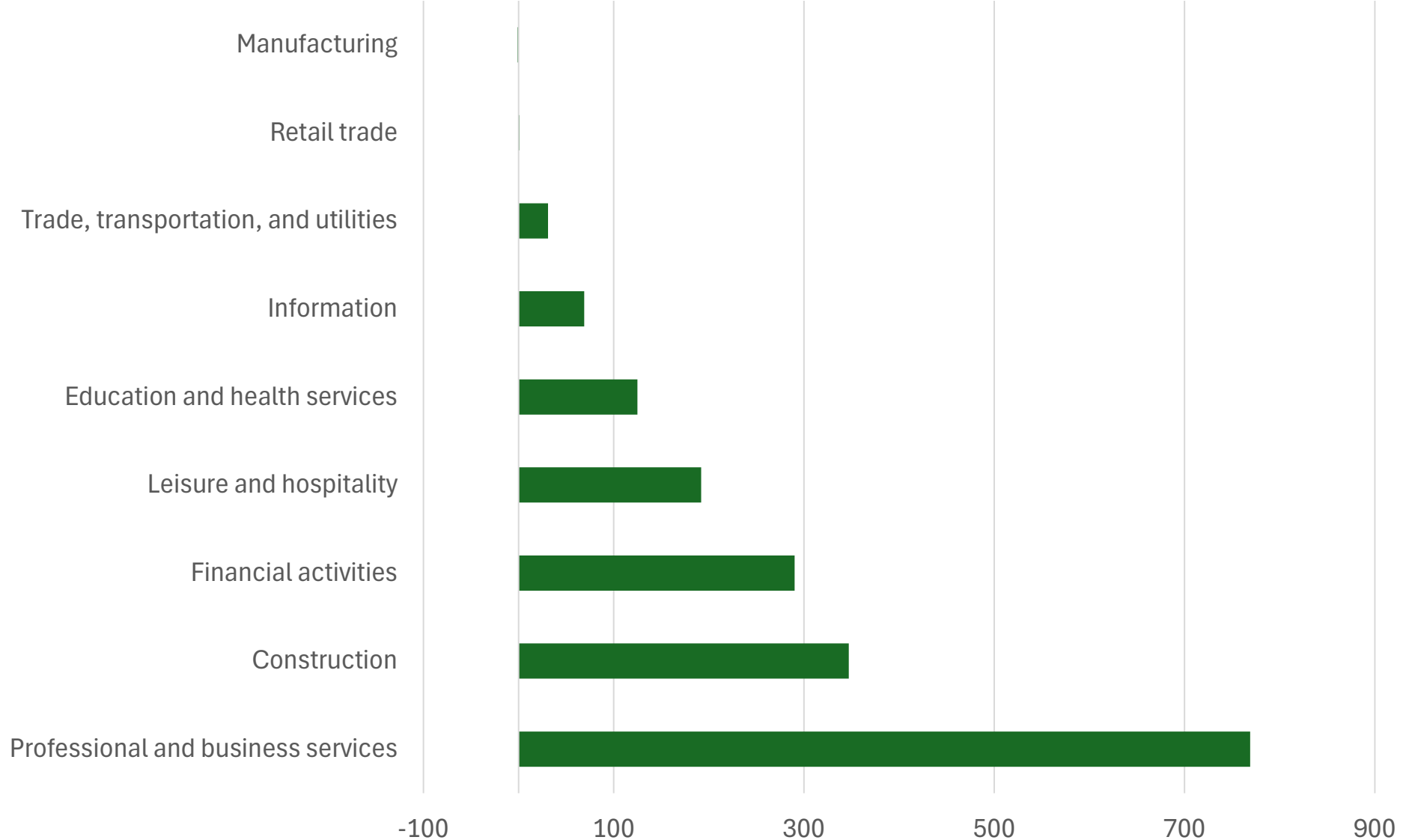
RANKING SCALE	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th
	Fayetteville-Springdale-Rogers MSA	Austin-Round Rock-San Marcos MSA	Des Moines-West Des Moines MSA	Madison MSA	Durham-Chapel Hill MSA	Raleigh-Cary MSA	Provo-Orem-Lehi MSA
Population Growth, 2023-2024	2.6%	3.1%	2.3%	1.9%	1.9%	3.5%	3.7%
Real GDP Growth, 2022-2023	1.4%	4.5%	1.0%	3.2%	3.5%	4.6%	4.4%
Annual Unemployment Rate, 2024	2.7%	3.5%	3.0%	2.4%	3.2%	3.1%	3.3%
Nonfarm Employment Growth, 2023-2024	2.6%	2.2%	1.2%	1.2%	1.7%	2.6%	1.3%
Median Household Income, 2024	\$81,208	\$99,897	\$85,446	\$89,714	\$83,542	\$102,144	\$101,014
Average Annual Wages, 2024	\$59,550	\$71,390	\$64,660	\$67,700	\$78,130	\$68,010	\$61,450
Business Establishment Growth, 2023-2024	0.8%	0.2%	5.8%	4.4%	0.9%	1.2%	3.4%
% of Adults w/Bachelor's Degree or Higher, 2024	38.2%	52.3%	41.6%	52.2%	54.7%	52.5%	44.0%
Poverty Rate, 2024	11.0%	9.2%	8.7%	9.6%	11.2%	8.9%	8.9%
R&D Expenditures, 2023	\$221.5M	\$1.03B	\$420.8M	\$1.73B	\$1.55B	\$1.51B	\$723.7M
# of Utility Patents Granted Per 100K Residents, 2022	24.9	119.2	41.2	69.2	94.2	82.8	54.3
High-Tech Employment Growth, 2023-2024	8.3%	-1.0%	3.6%	-5.2%	7.8%	0.7%	2.2%
% of Workers Traveling Fewer than 30 Min., 2024	73.3%	56.6%	76.5%	72.1%	67.2%	58.6%	64.6%
Avg. Domestic Airfare, 2024	\$465	\$399	\$395	\$500	\$364	\$364	\$434

Business Establishment Growth

Source: U.S. Bureau of Labor Statistics

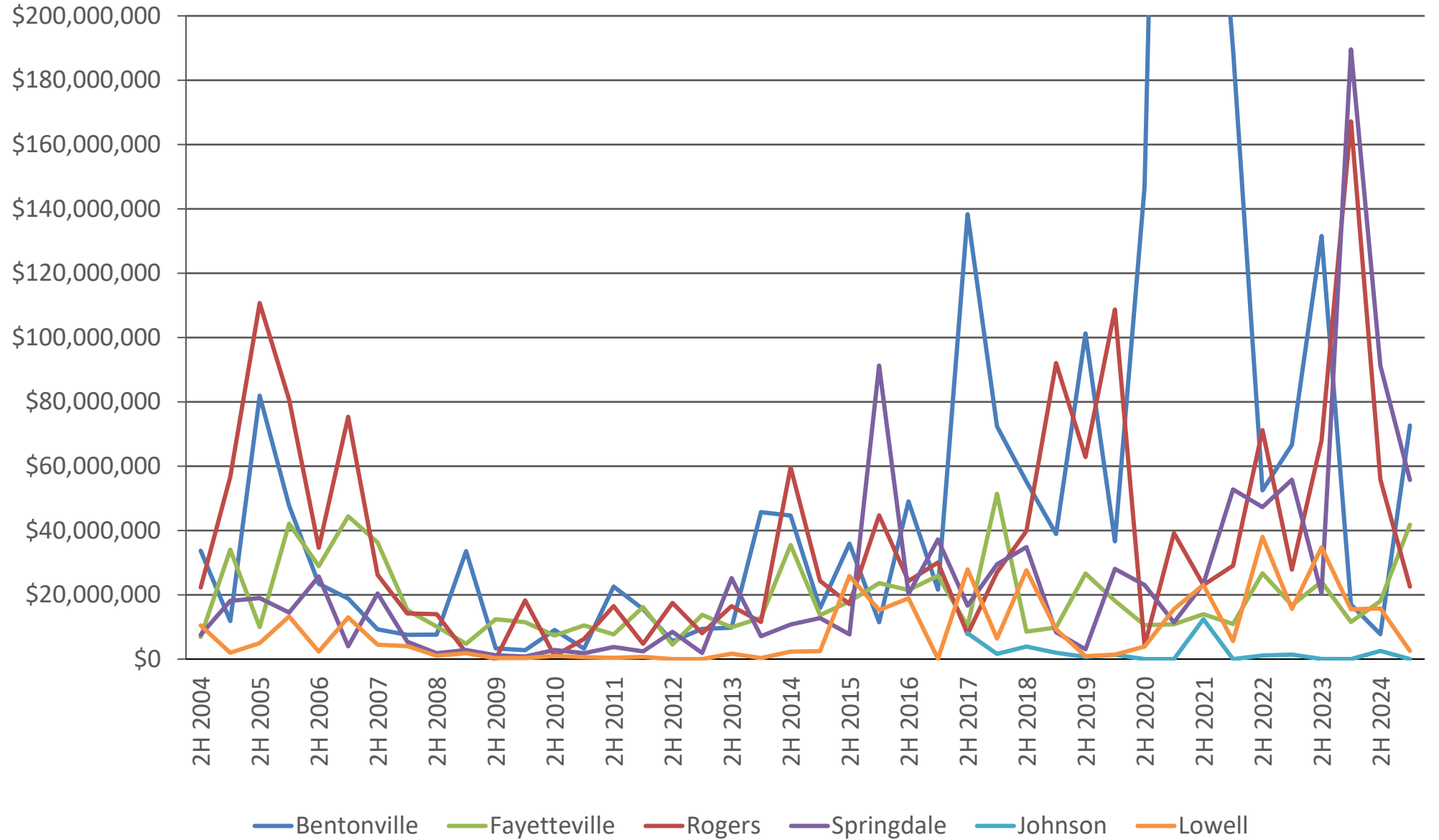


Northwest Arkansas Establishment Growth by Sector, 2019-2024

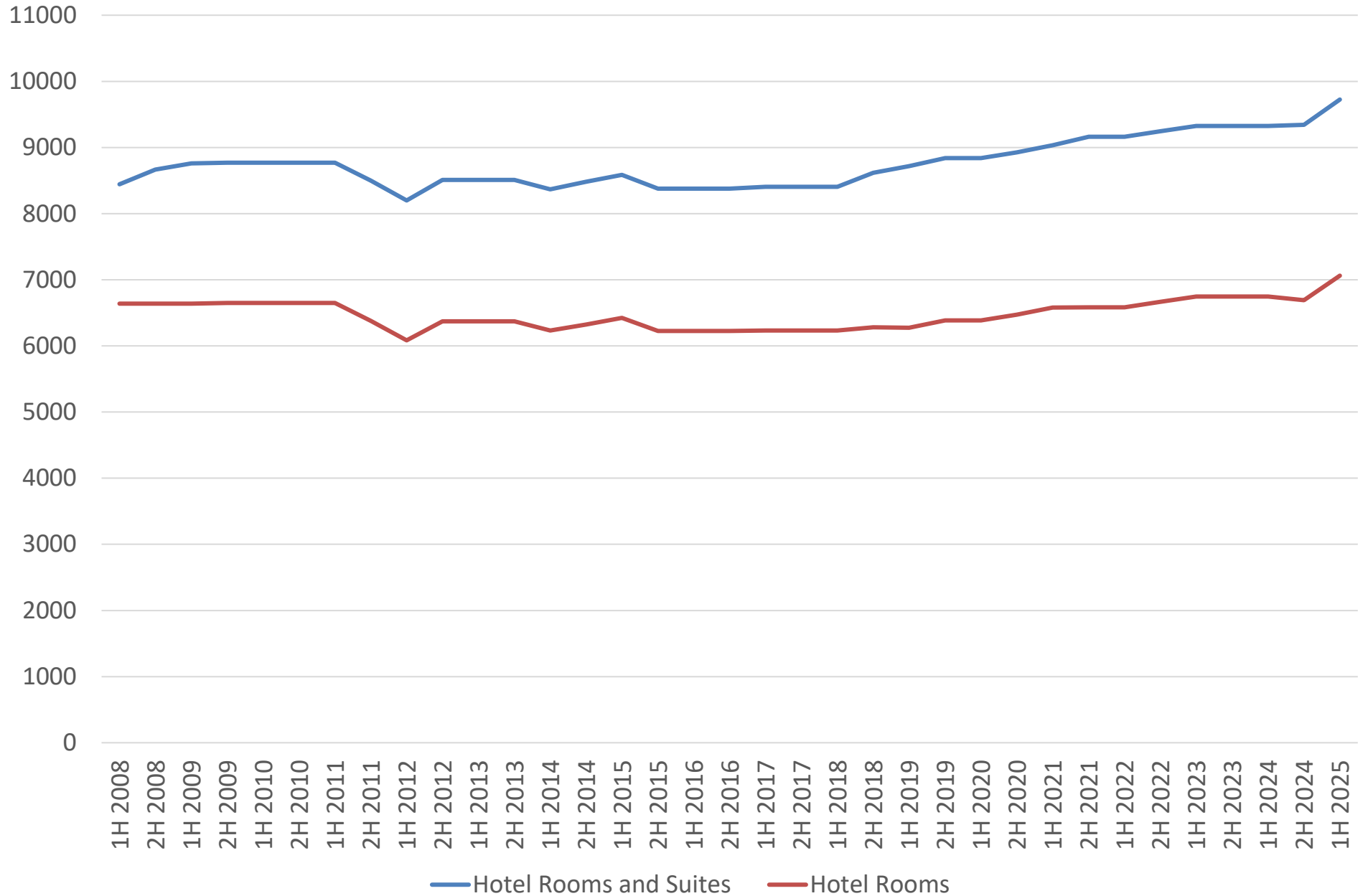


Source: Bureau of Labor Statistics

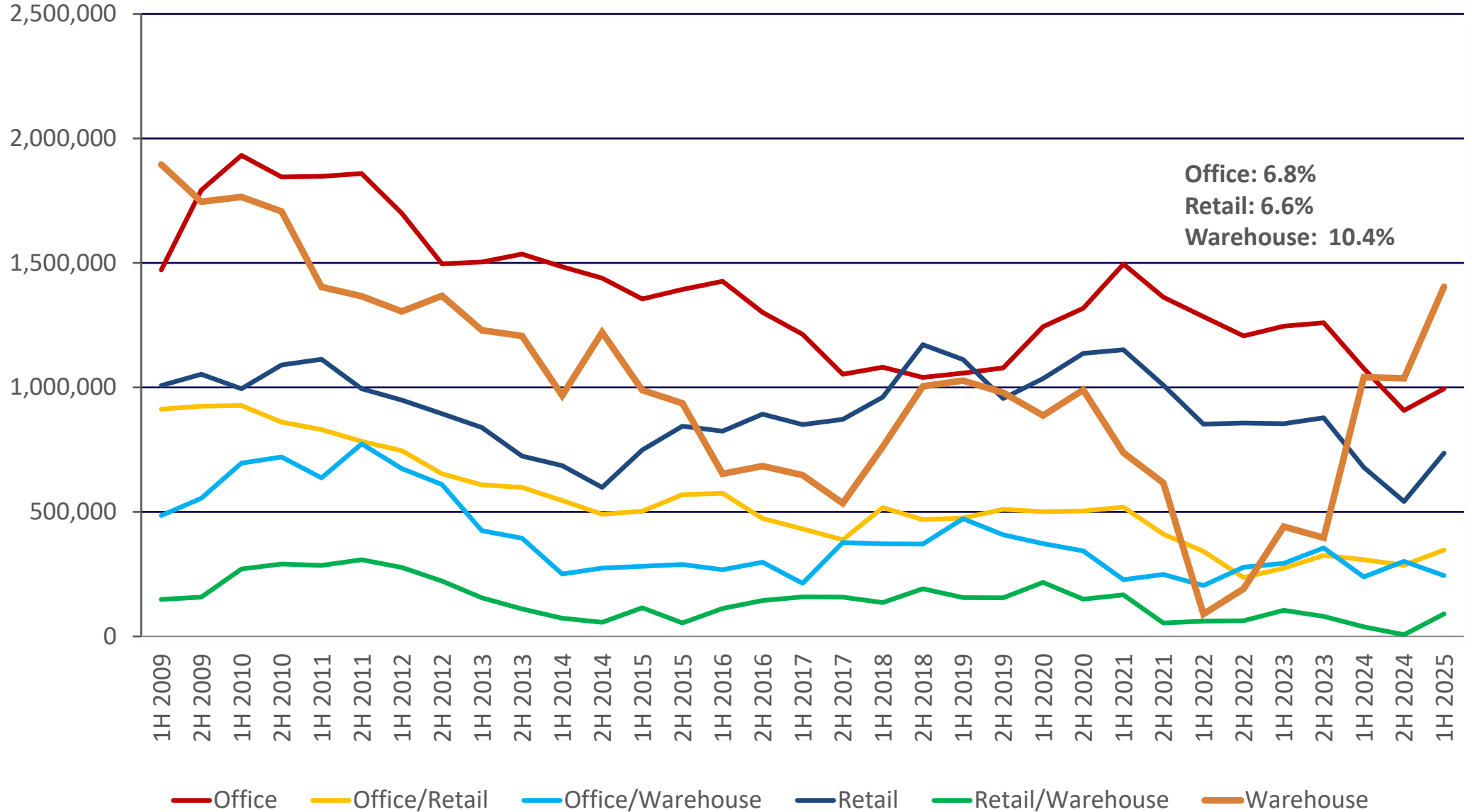
Commercial Building Permit Values



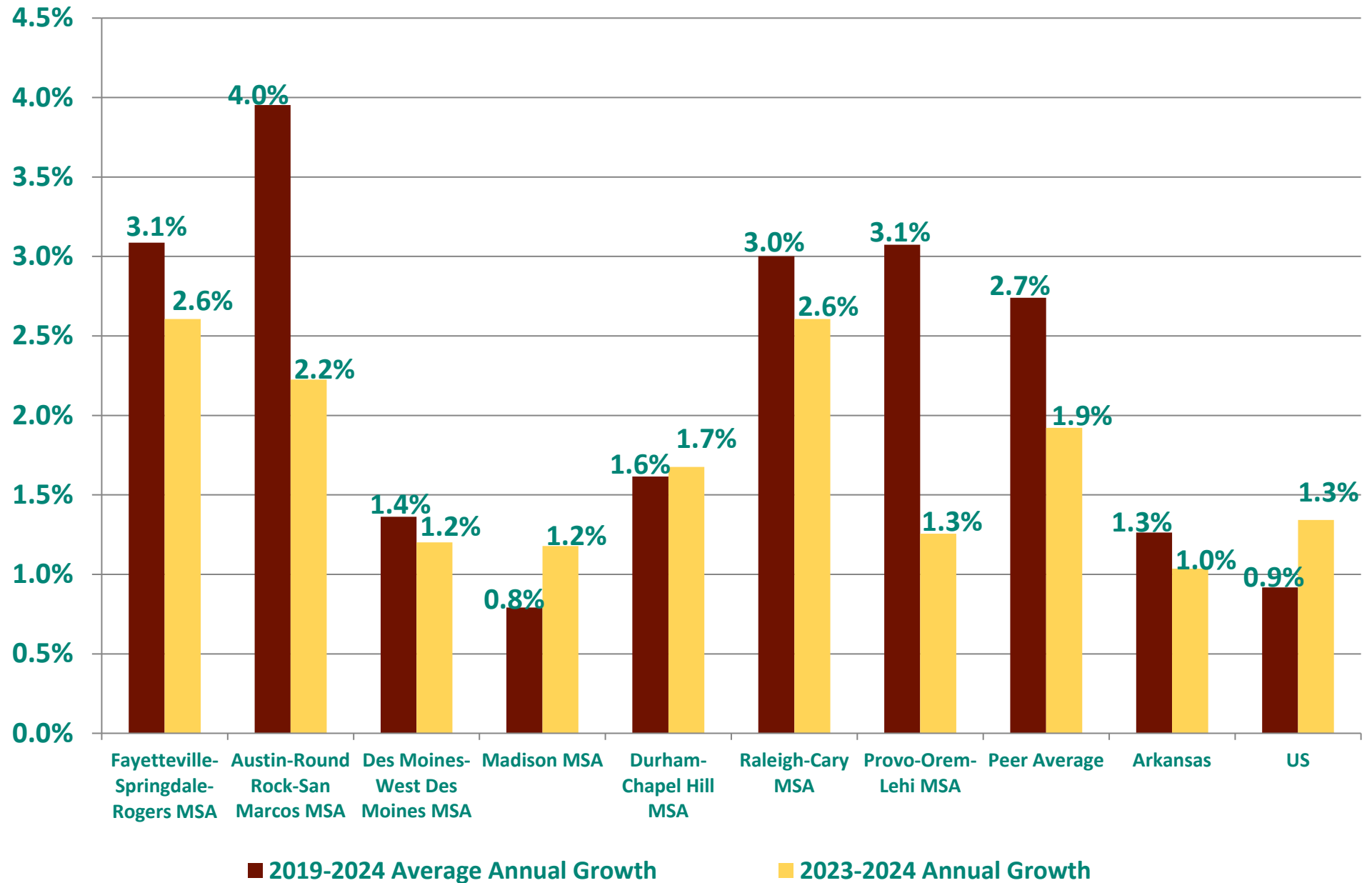
Northwest Arkansas Hotel Rooms and Suites



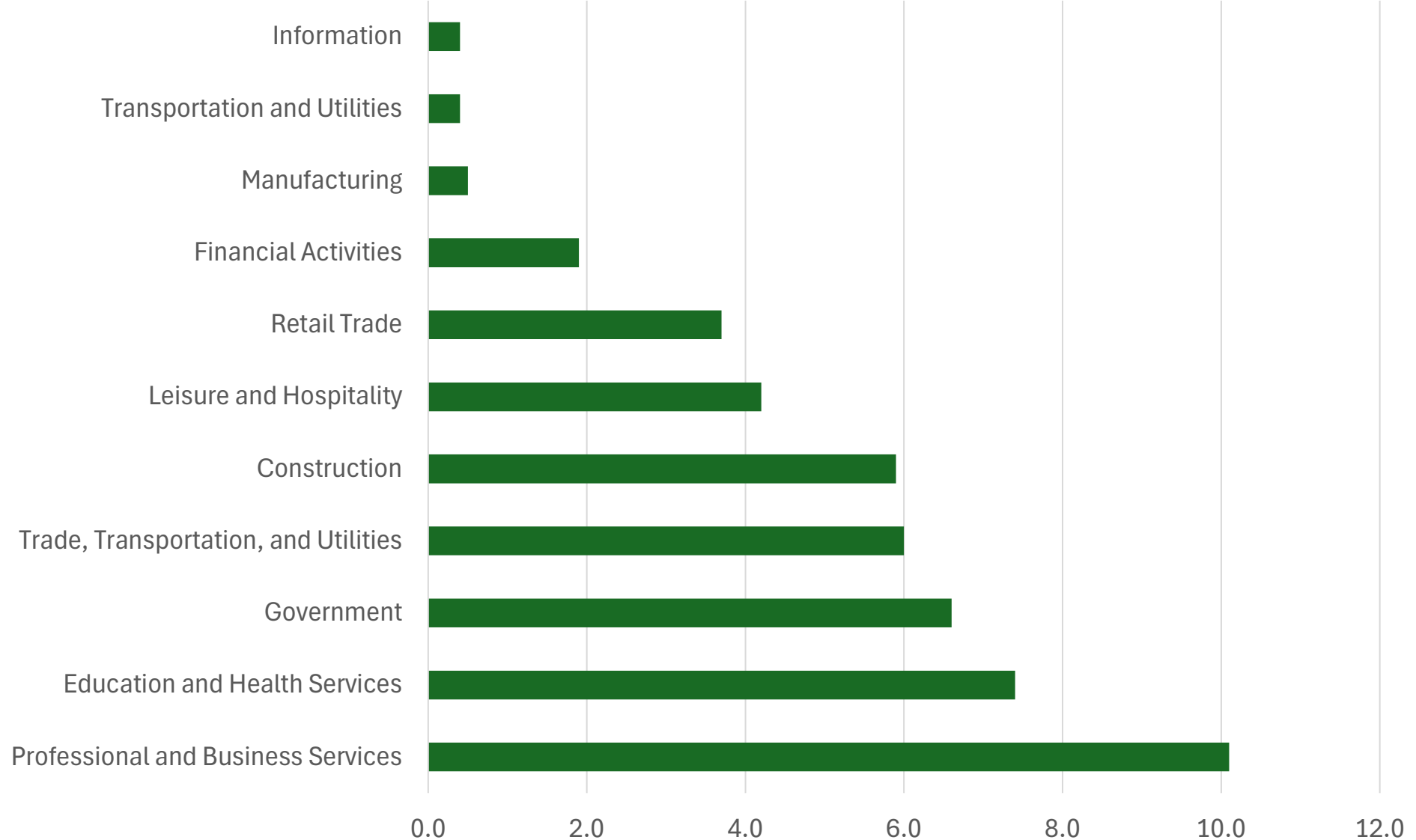
Northwest Arkansas Available Square Footage



Employment Growth Rate Source: U.S. Bureau of Labor Statistics

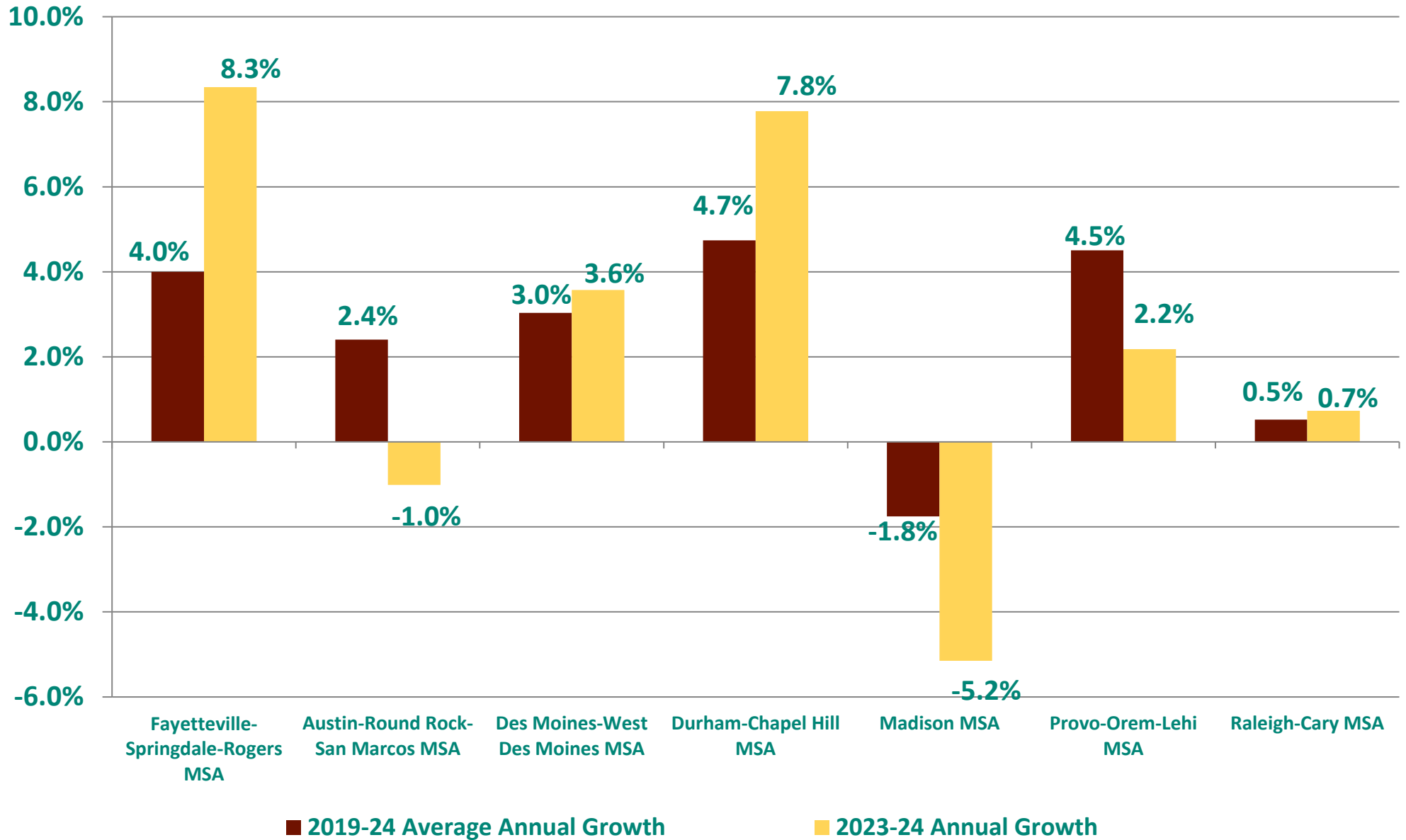


Northwest Arkansas Employment Growth by Sector, 2019-2024



Source: Bureau of Labor Statistics

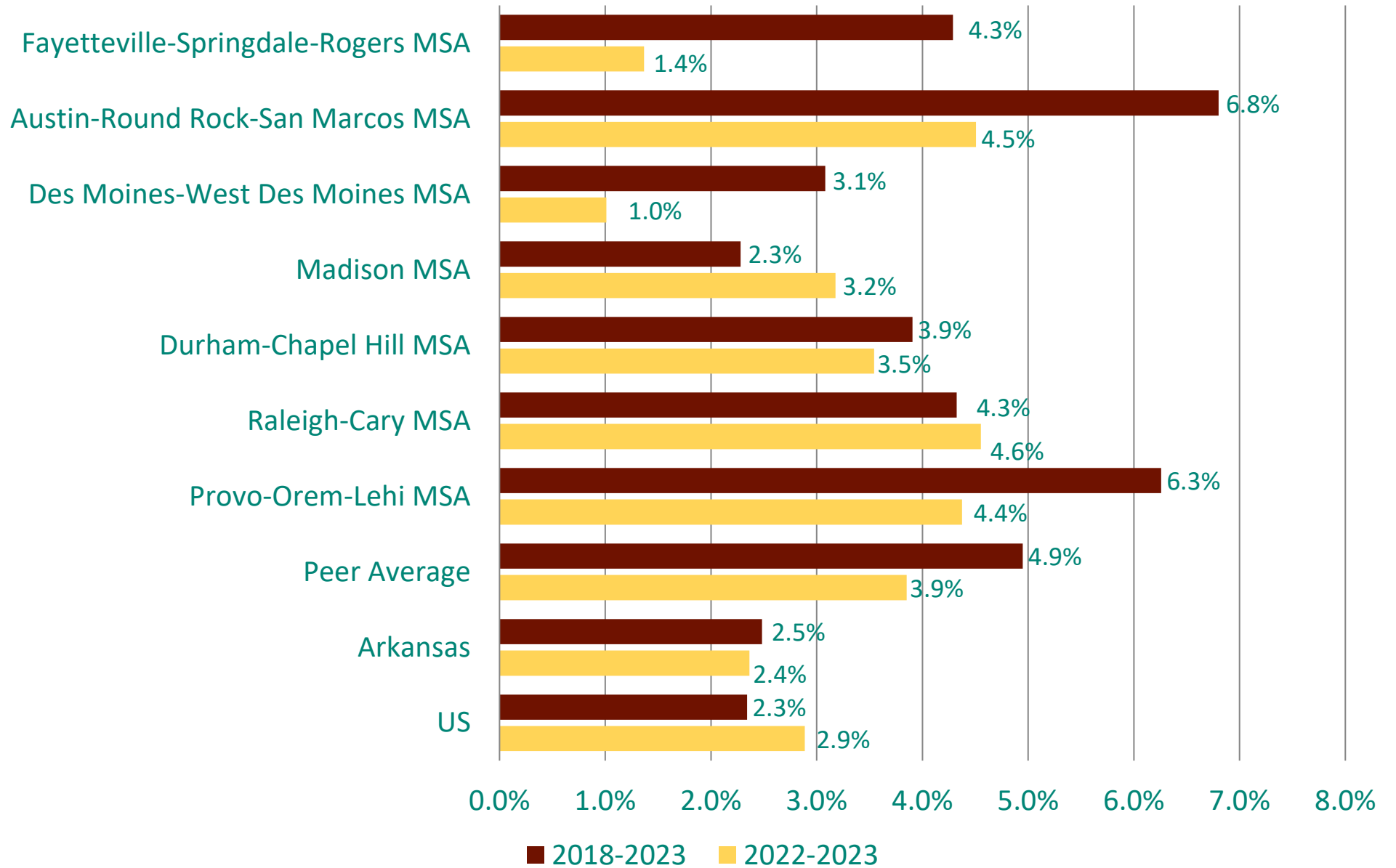
High Technology Employment Growth Rate Source: U.S. Bureau of Labor Statistics





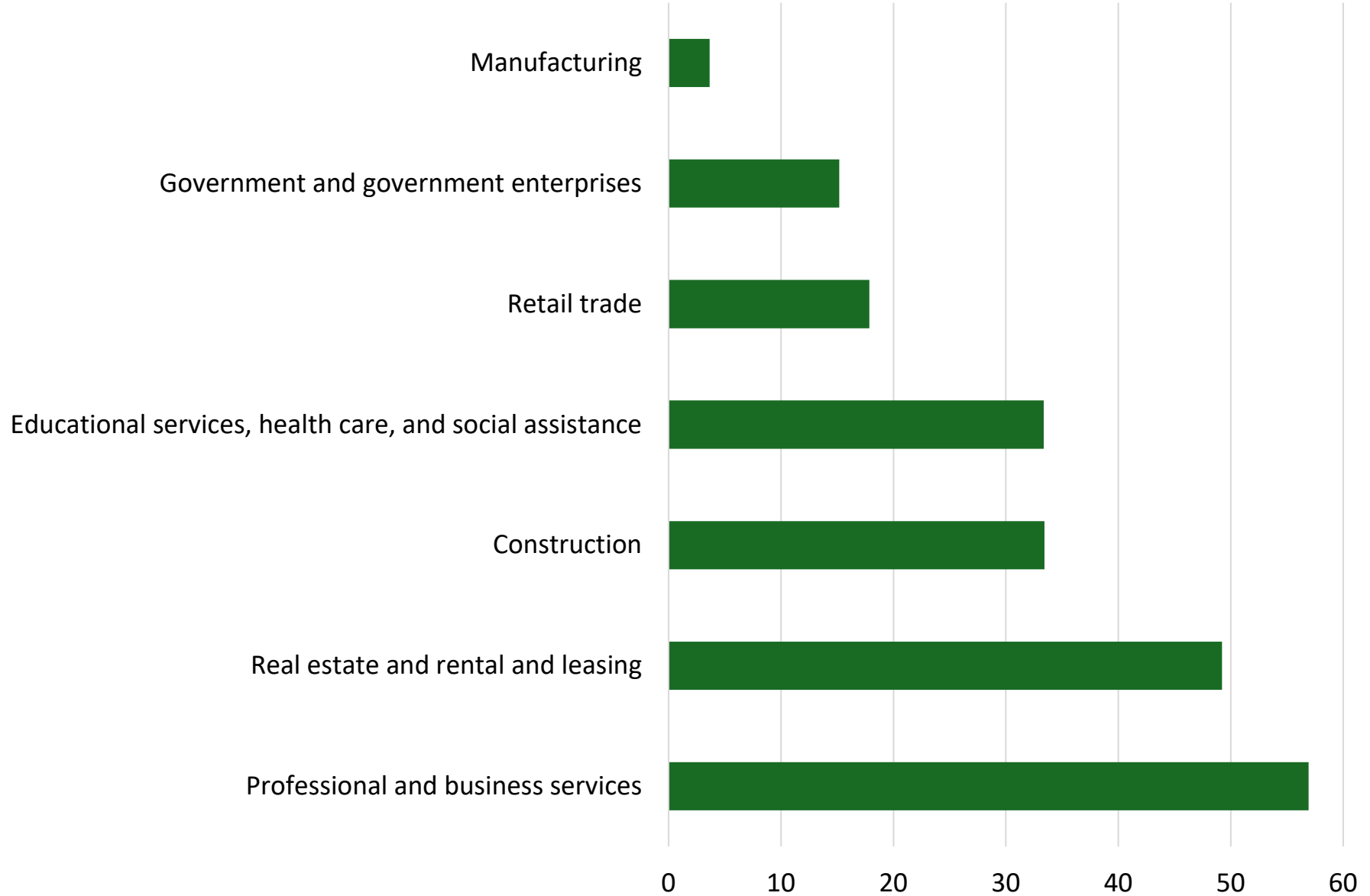
Change in Real GDP

Source: U.S. Bureau of Economic Analysis





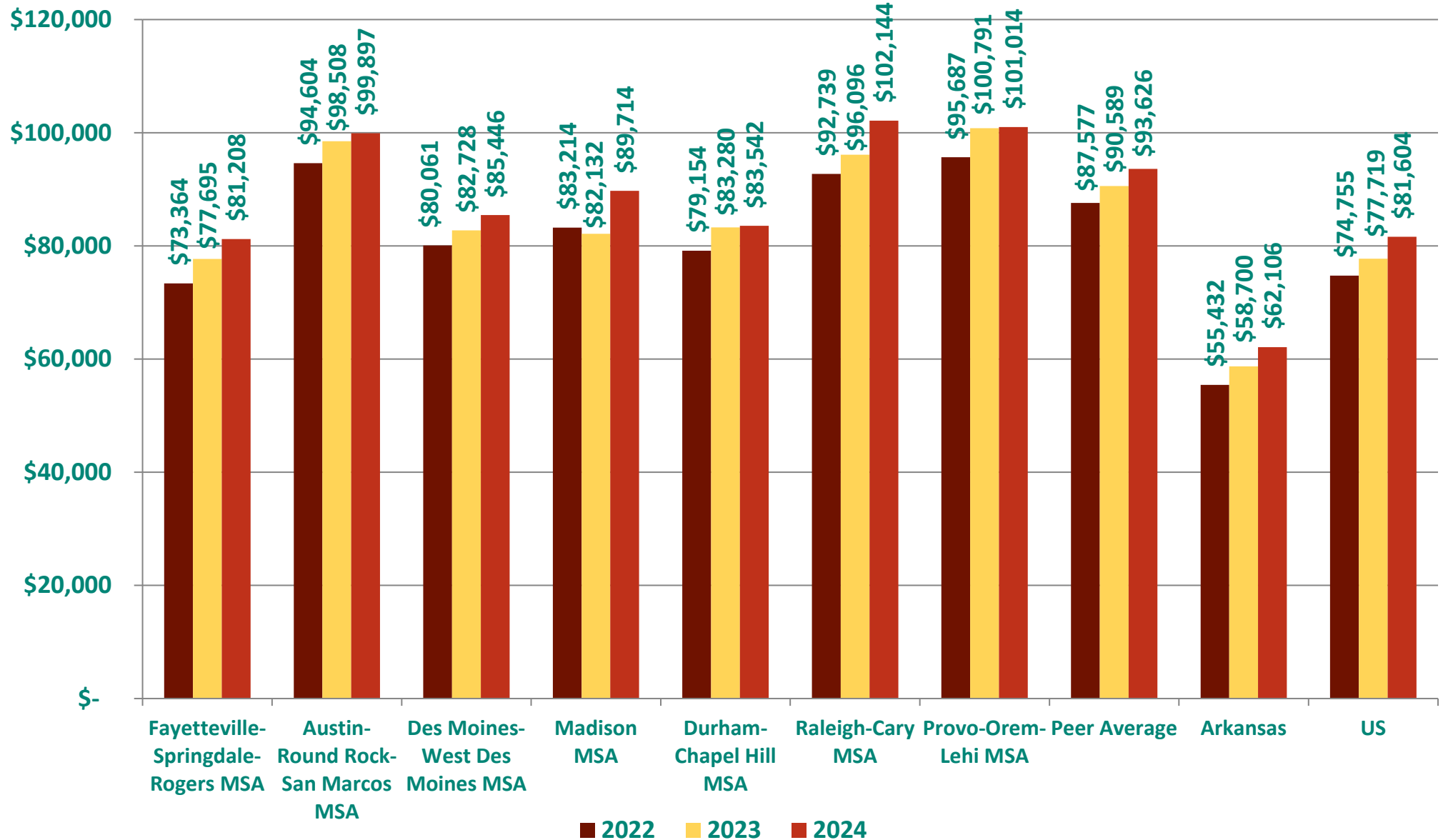
Northwest Arkansas GDP Change by Sector, 2018-2023



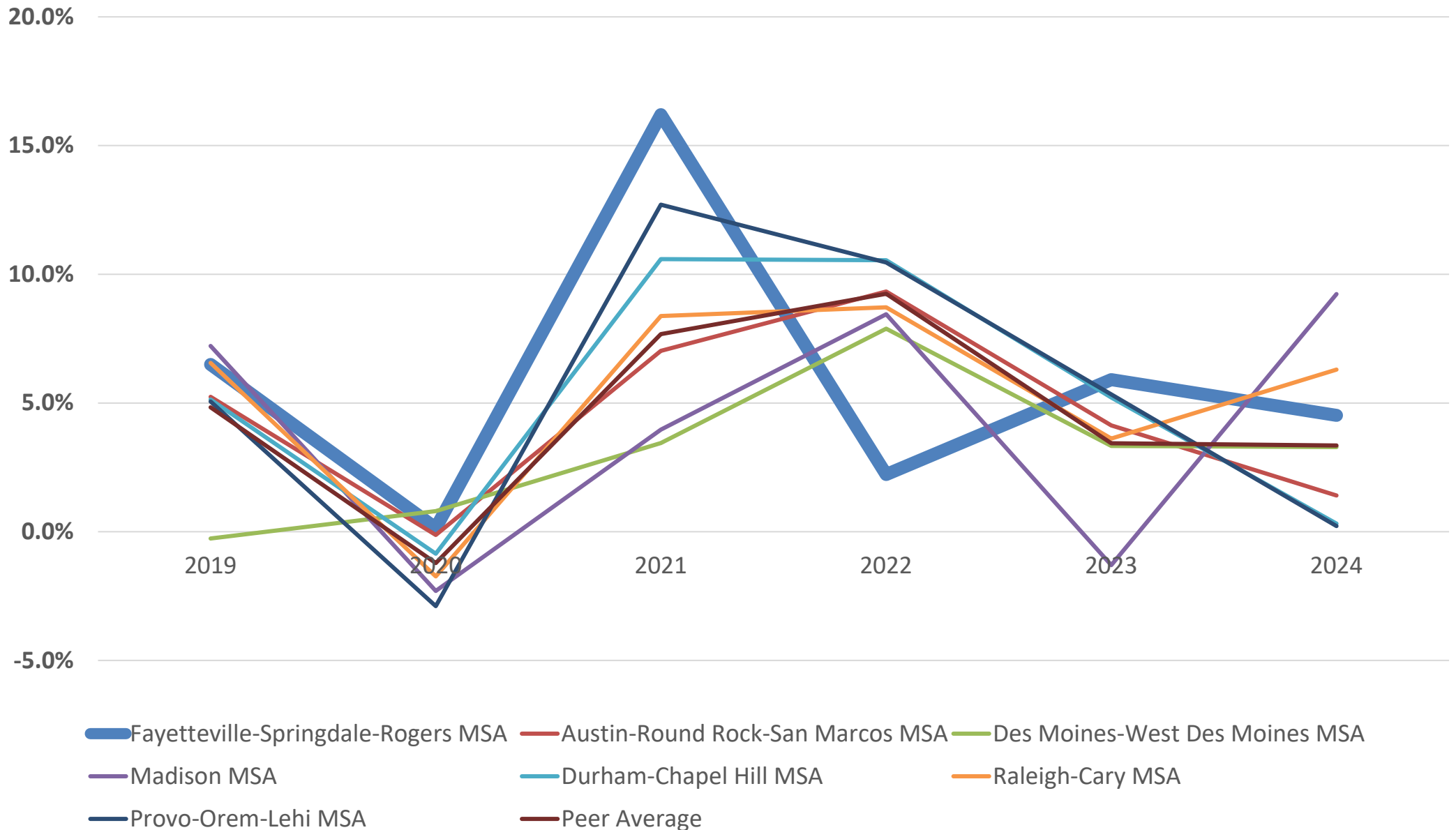
Source: Bureau of Labor Statistics

Median Household Income

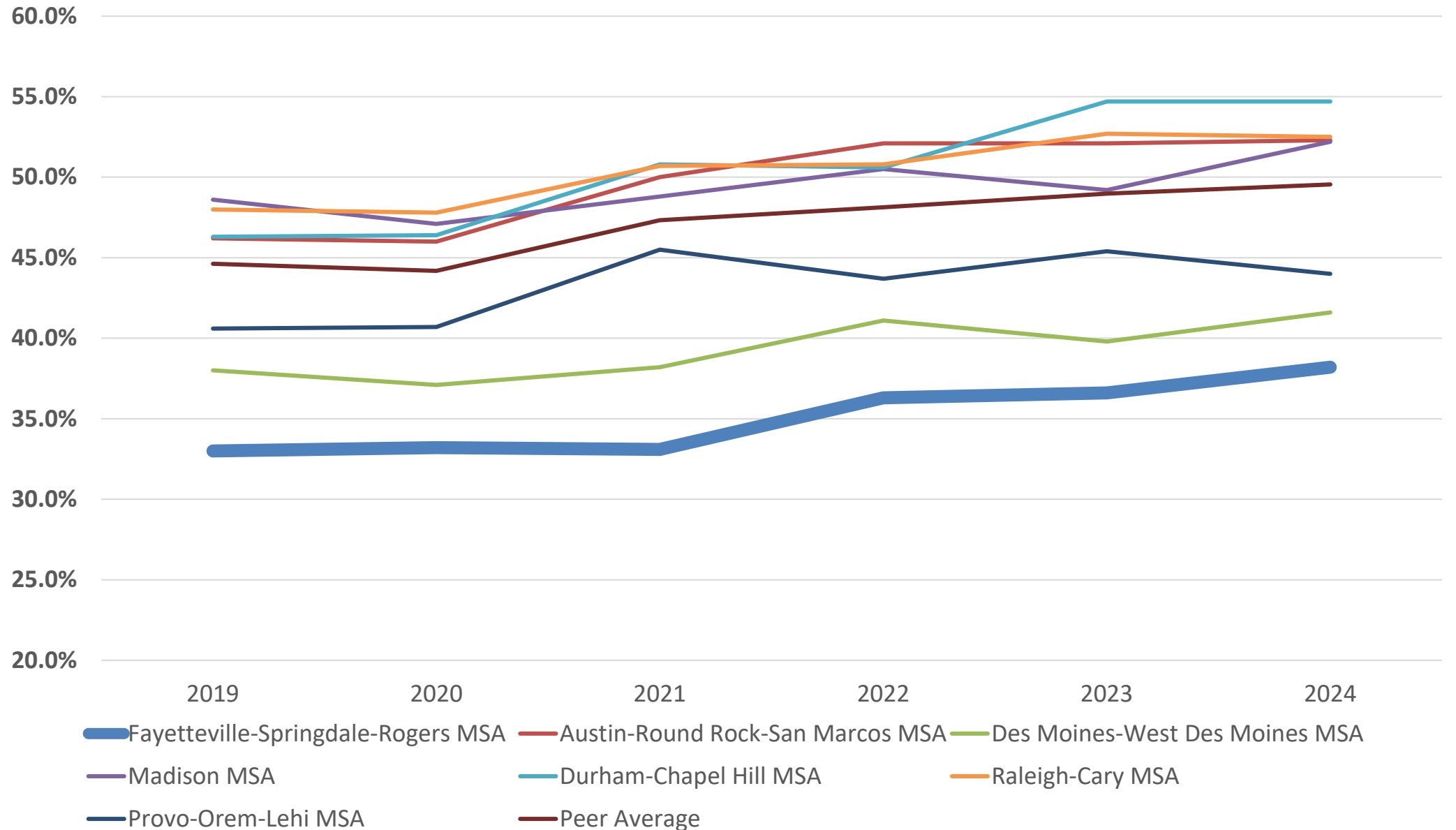
Source: U.S. Census Bureau



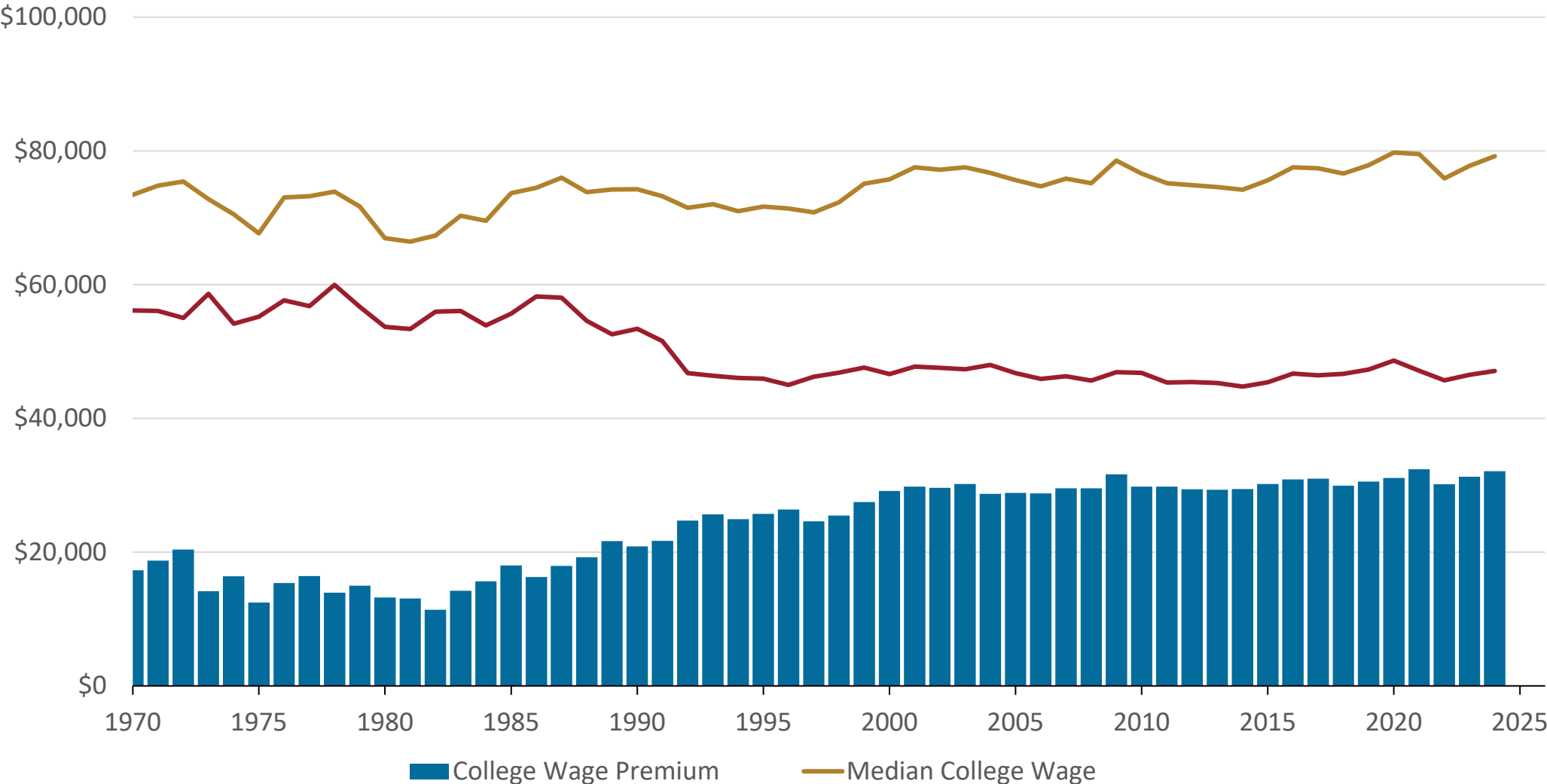
Median Household Income Source: U.S. Census Bureau



Bachelor's Degree or Higher in Adult Population Source: U.S. Census Bureau

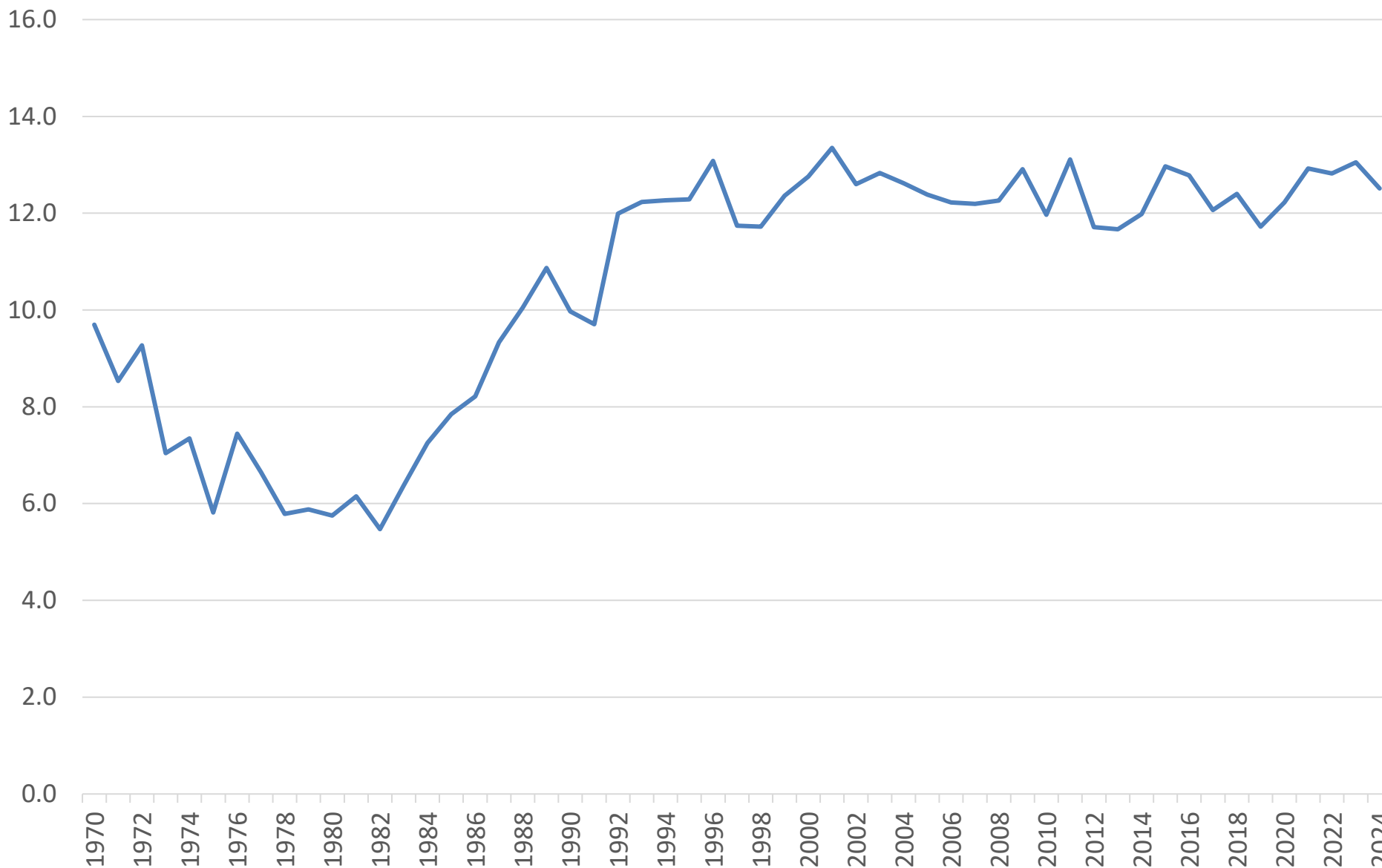


College Wage Premium Remains Near Its All-Time High



Source: NY Fed Calculations, US Census Bureau and US BLS, CPS March Supplement (IPUMS); US Bureau of Labor Statistics, Consumer Price Index. Expressed in 2024 dollars.

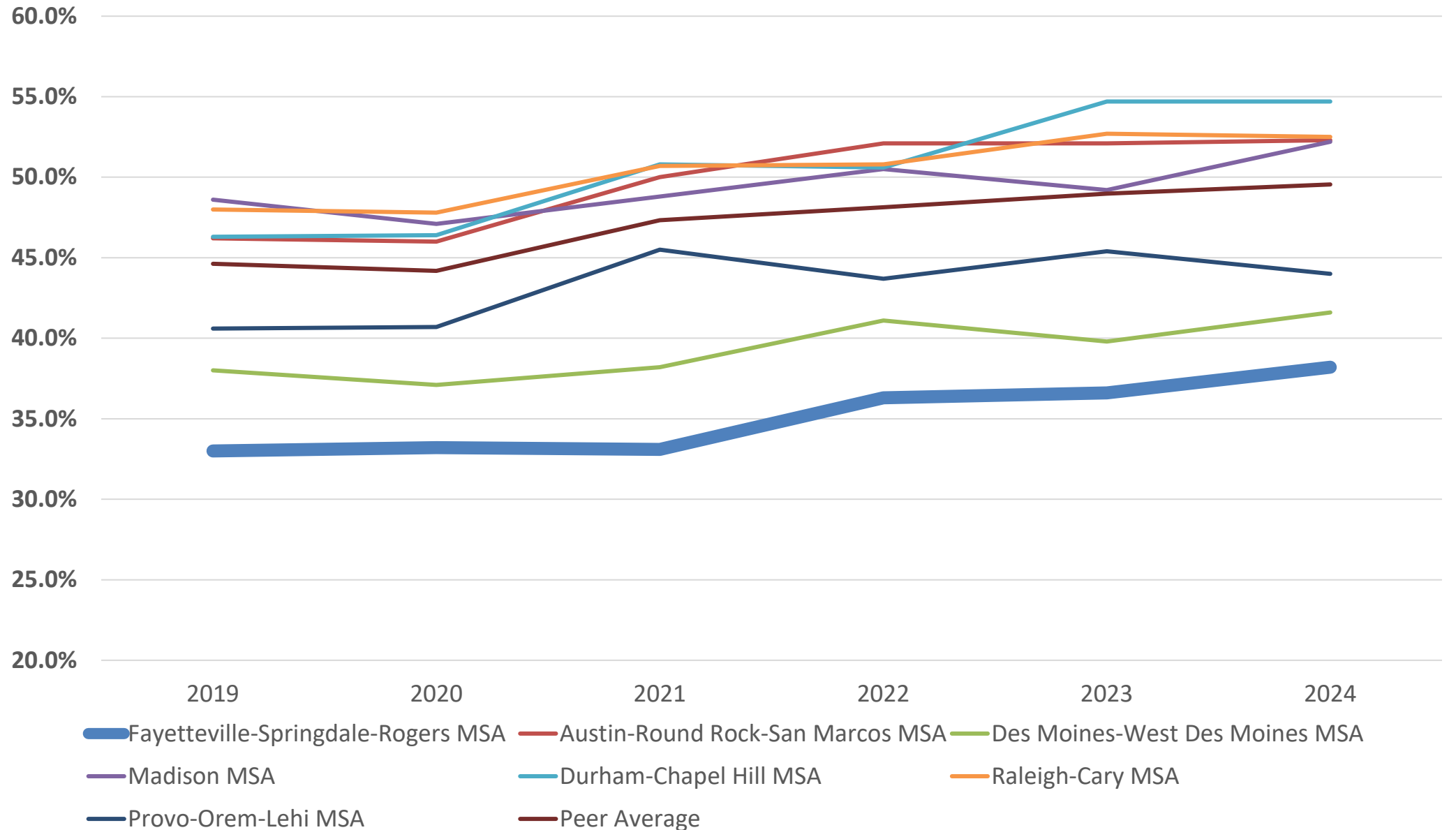
IRR to Bachelor's Degree, 1970-2024



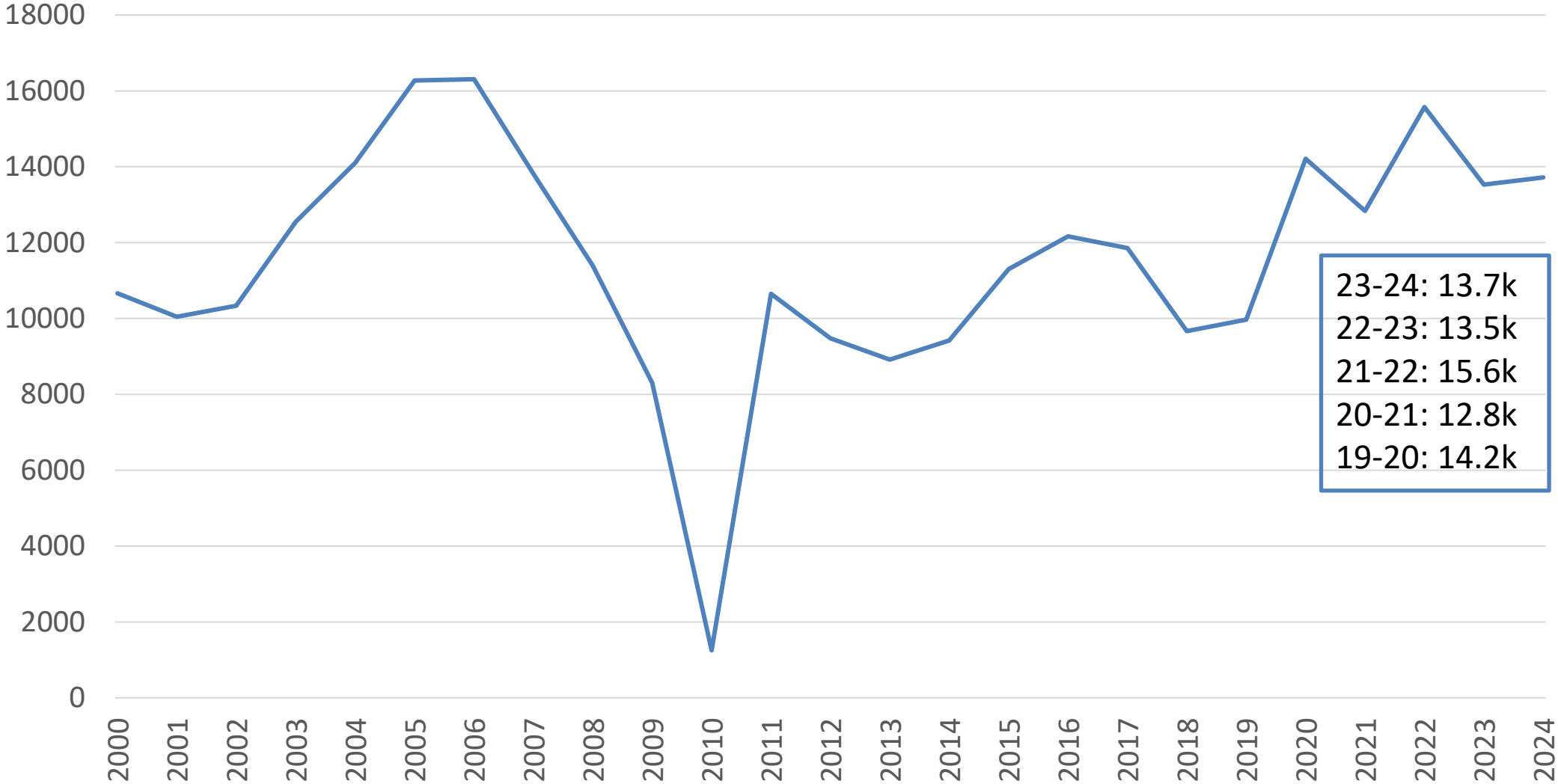
Source: Federal Reserve Bank of New York Liberty Street Economics

Bachelor's Degree or Higher in Adult Population

Source: U.S. Census Bureau



Northwest Arkansas Population Growth

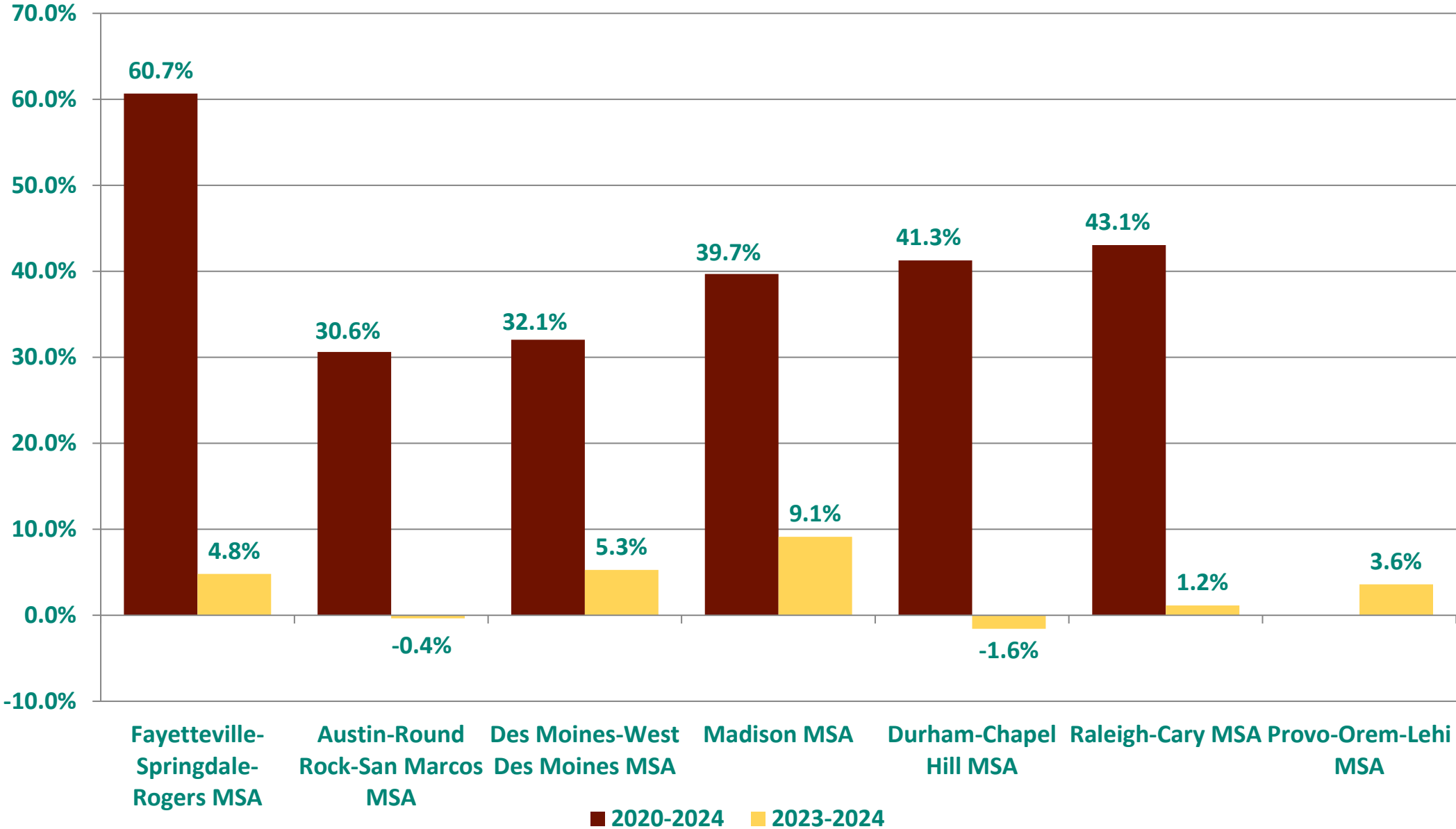


23-24: 13.7k
22-23: 13.5k
21-22: 15.6k
20-21: 12.8k
19-20: 14.2k

Source: U.S. Census Bureau

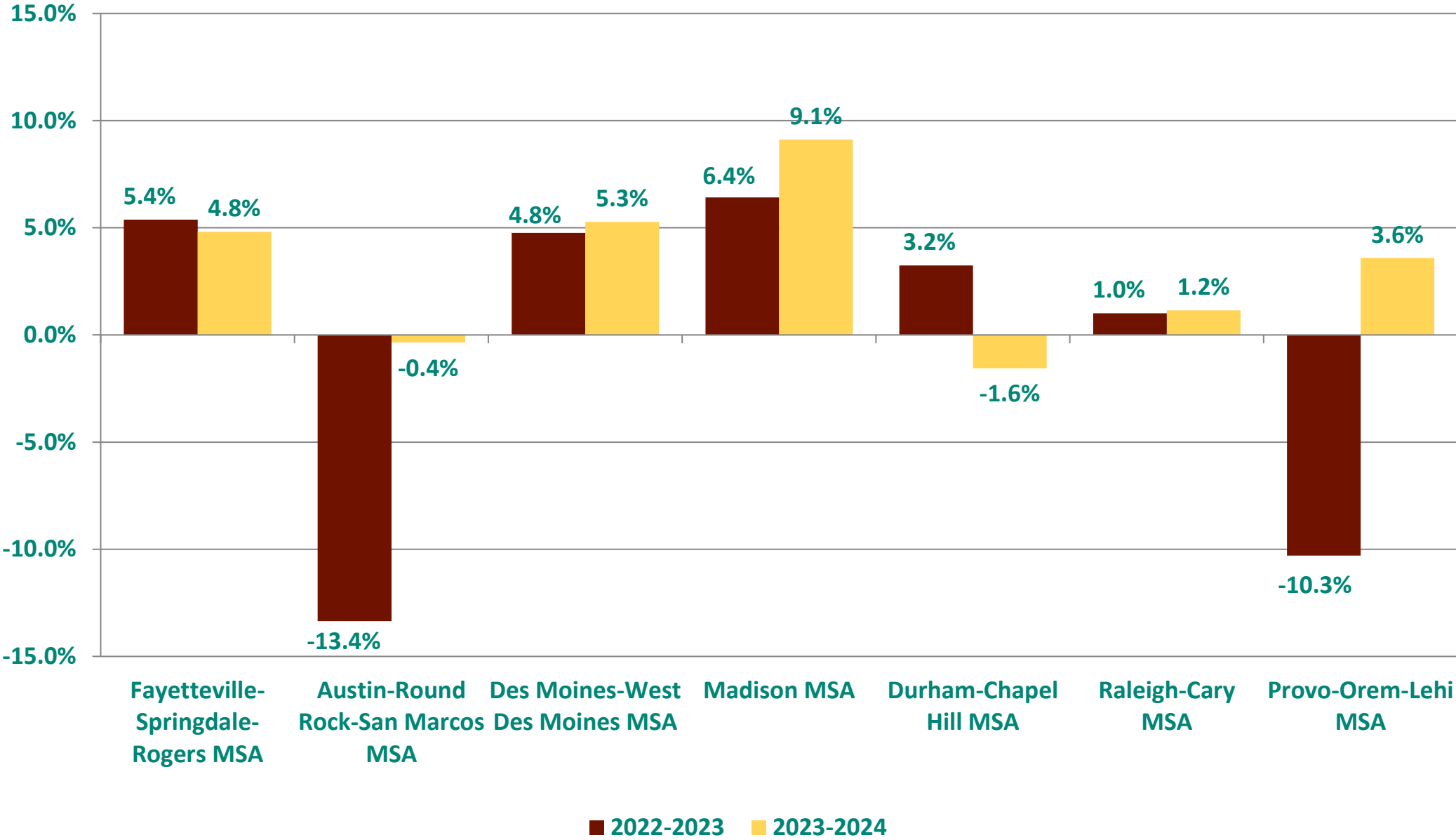
Percent Change in Median Sales Price of Existing Single Family Homes

Source: U.S. Census Bureau



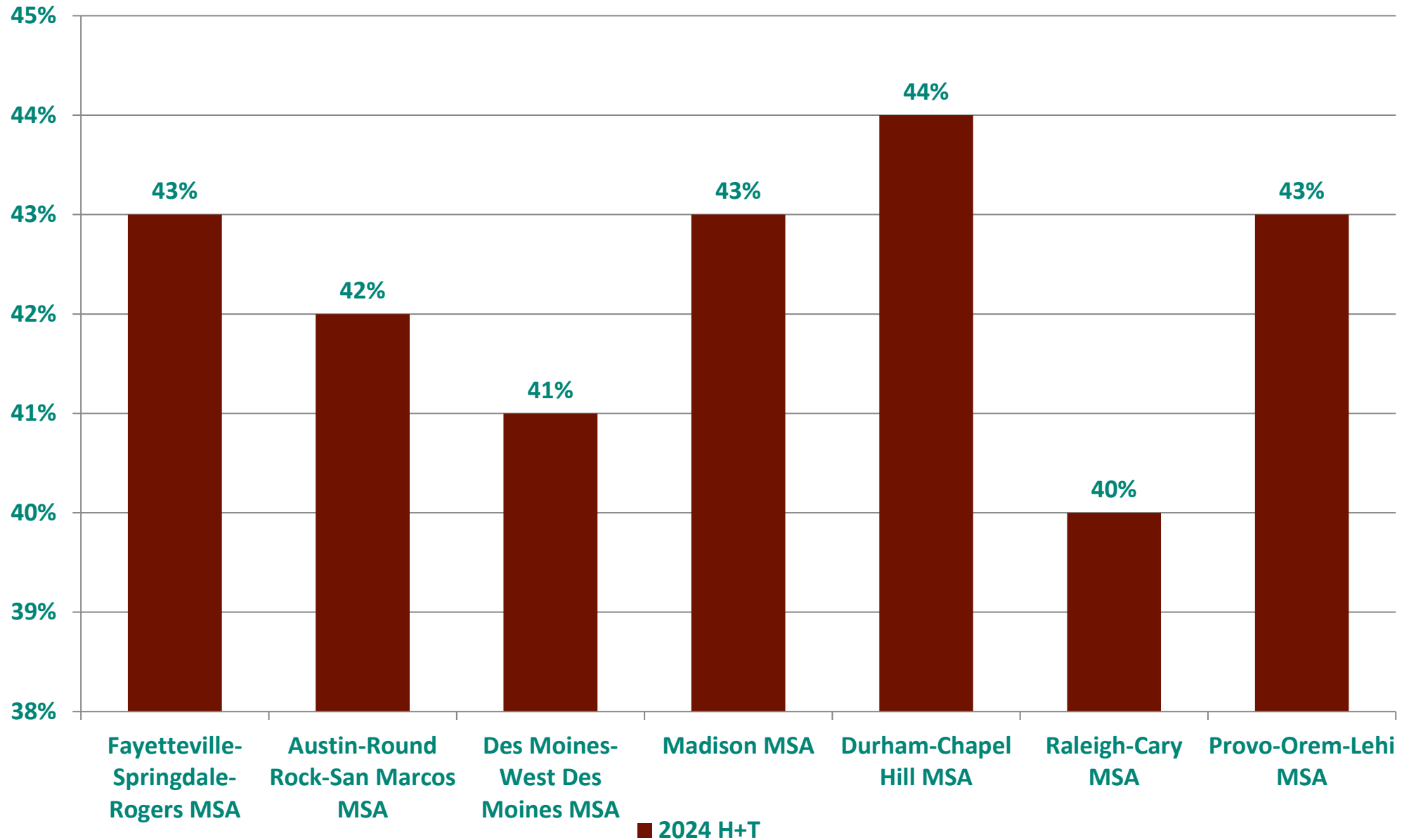
Percent Change in Median Sales Price of Existing Single Family Homes

Source: U.S. Census Bureau

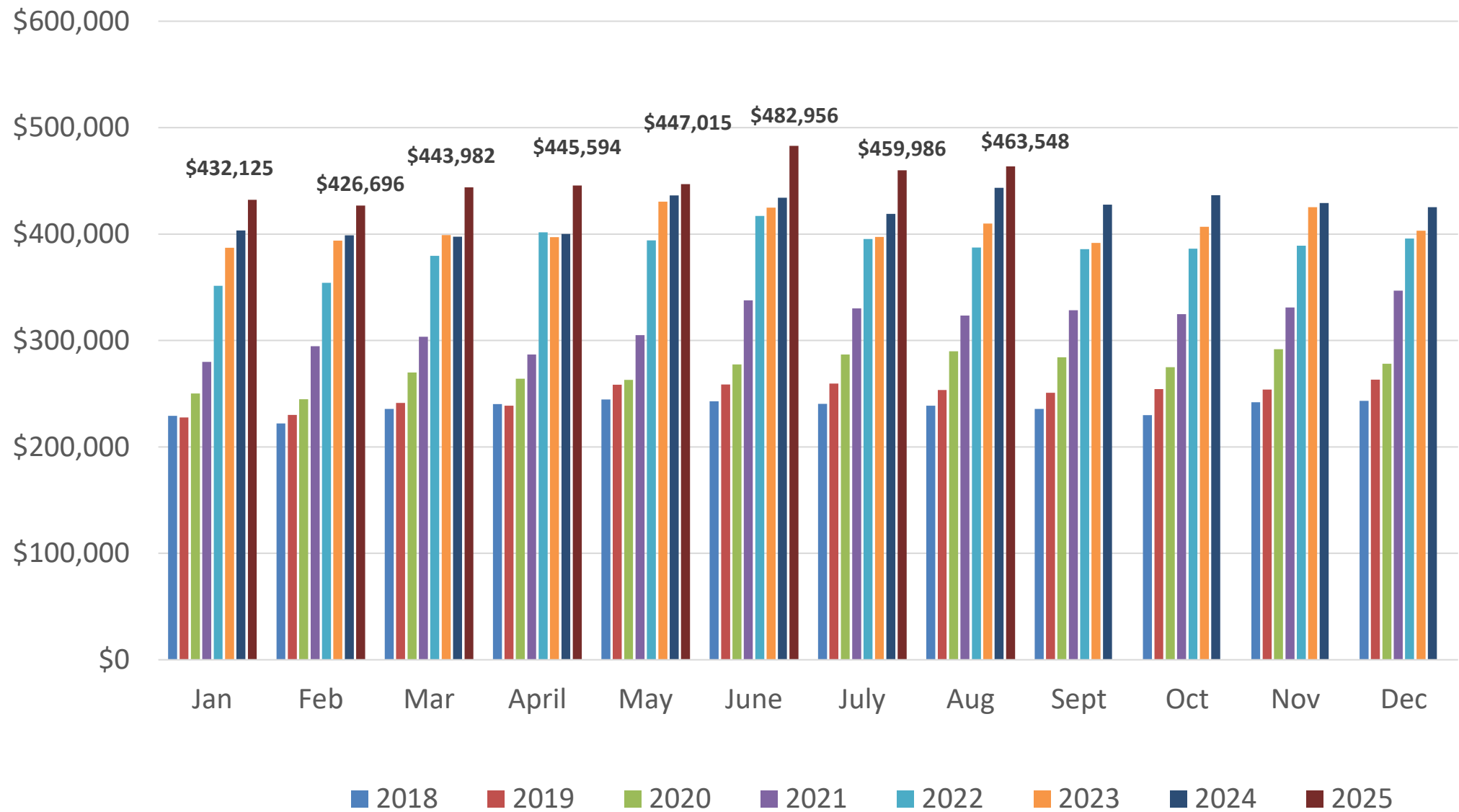


Housing + Transportation Costs

Source: Center for Neighborhood Technology

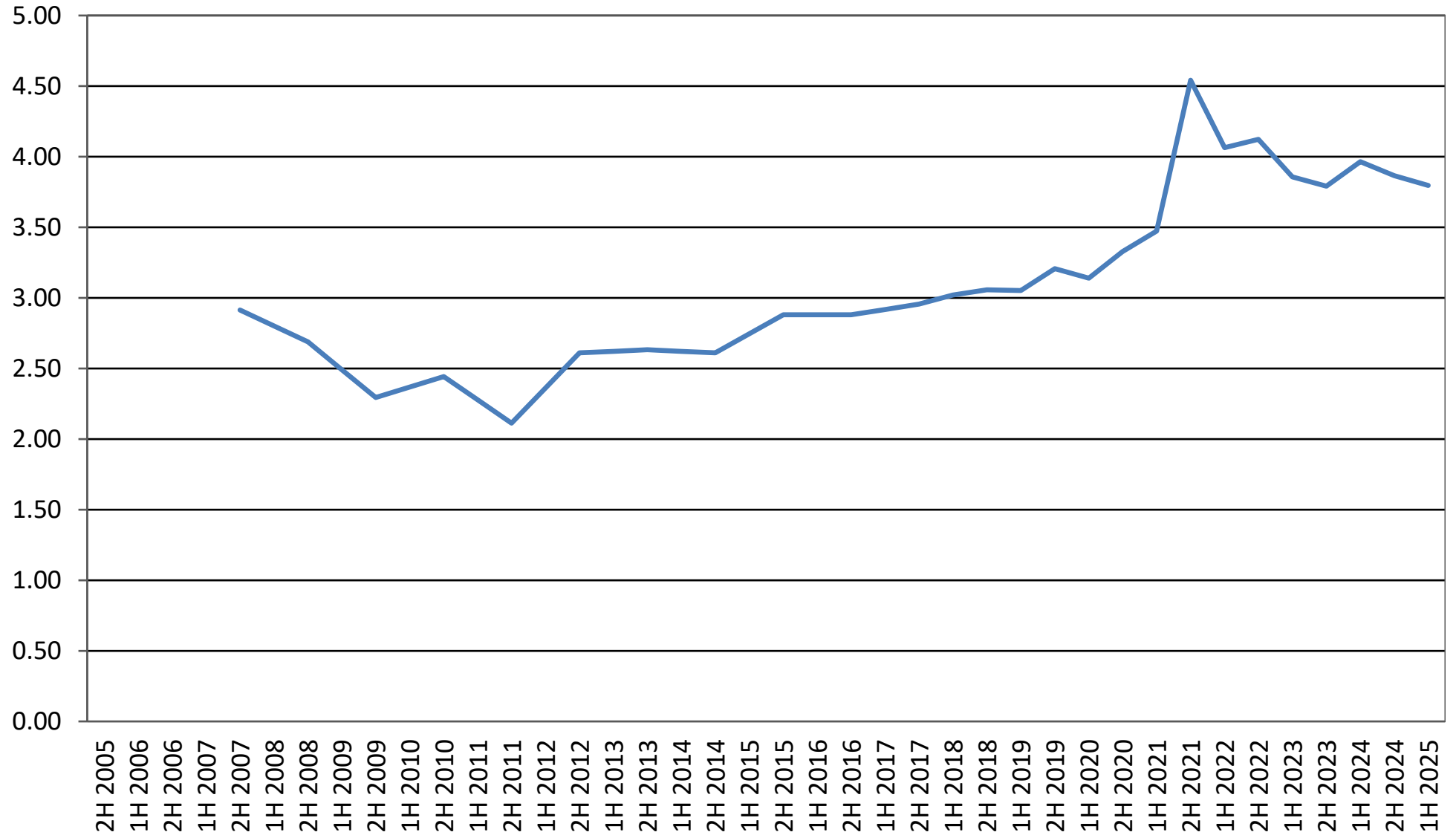


Average Price of Houses Sold

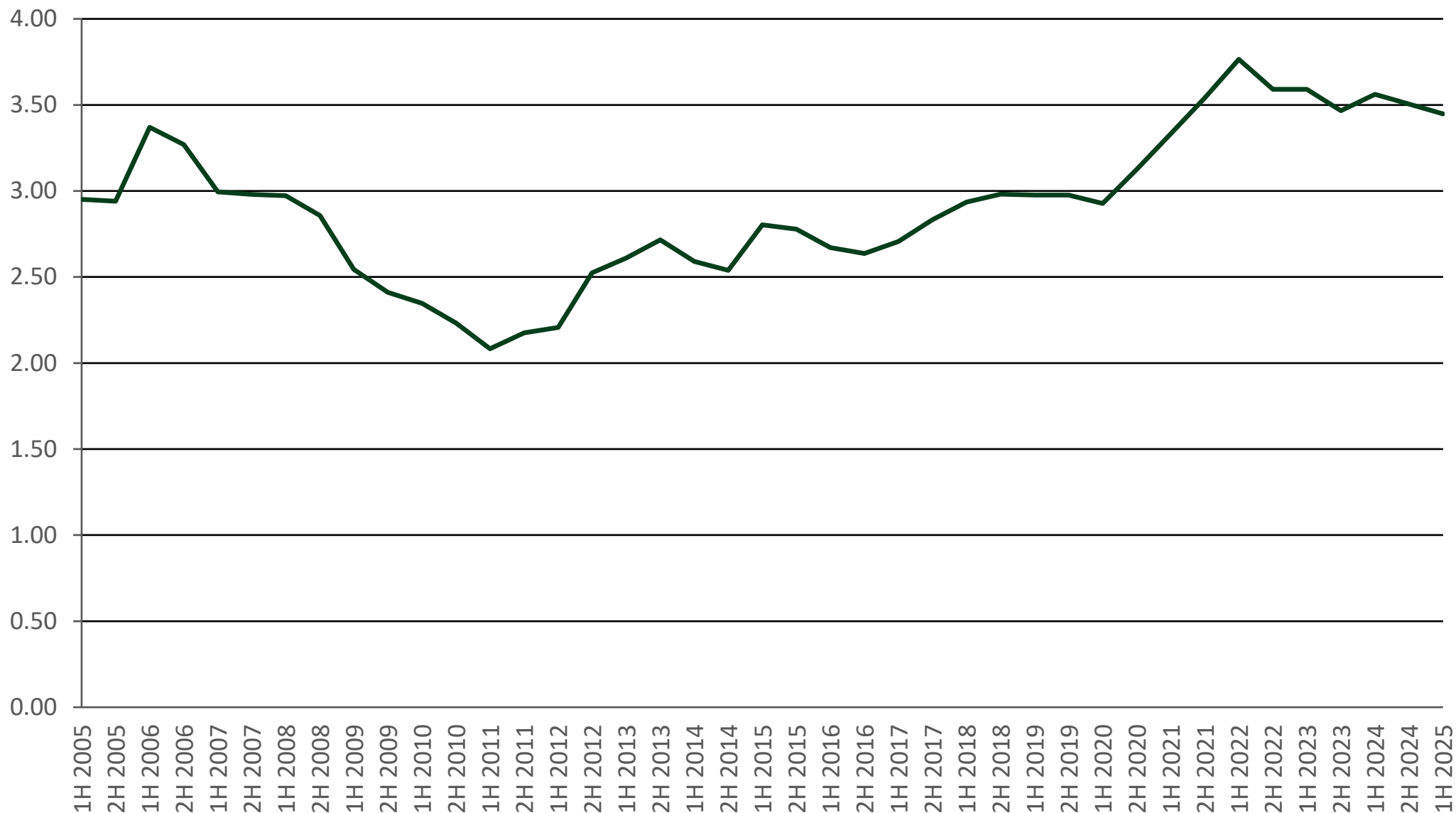


Source: Skyline Report, MLS Database

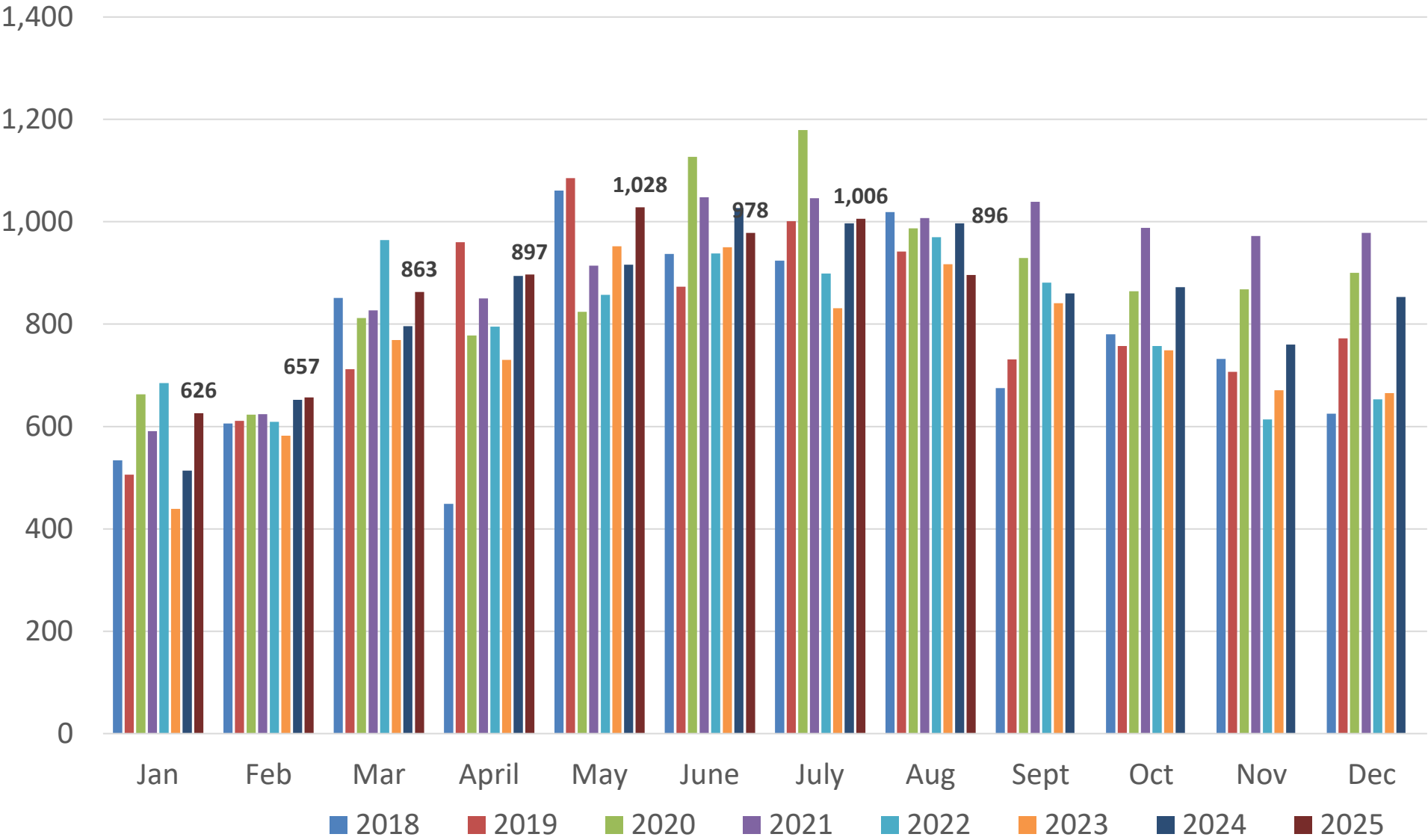
Benton County Housing Median Multiple



Washington County House Median Multiple

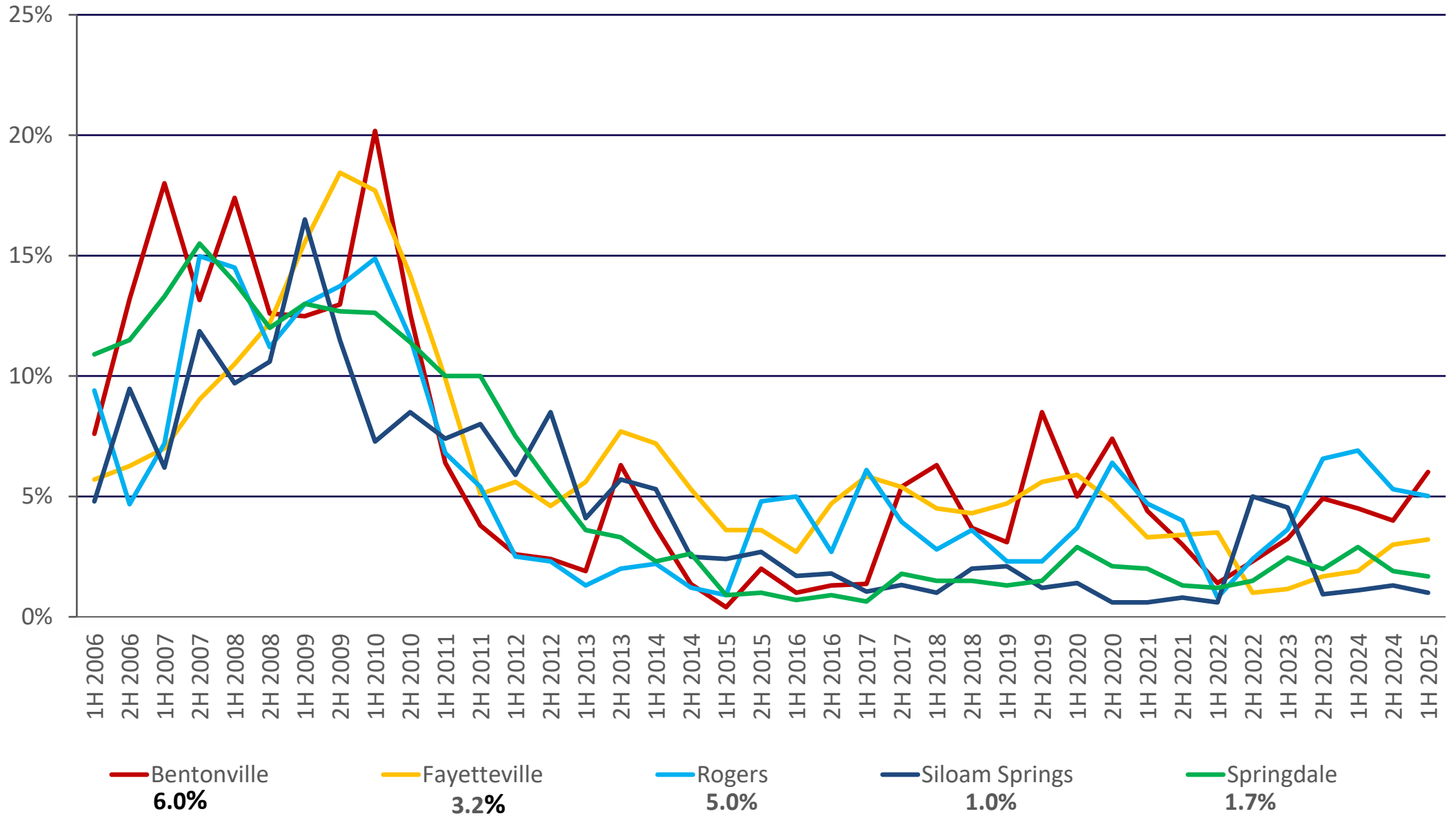


NWA Number of Houses Sold

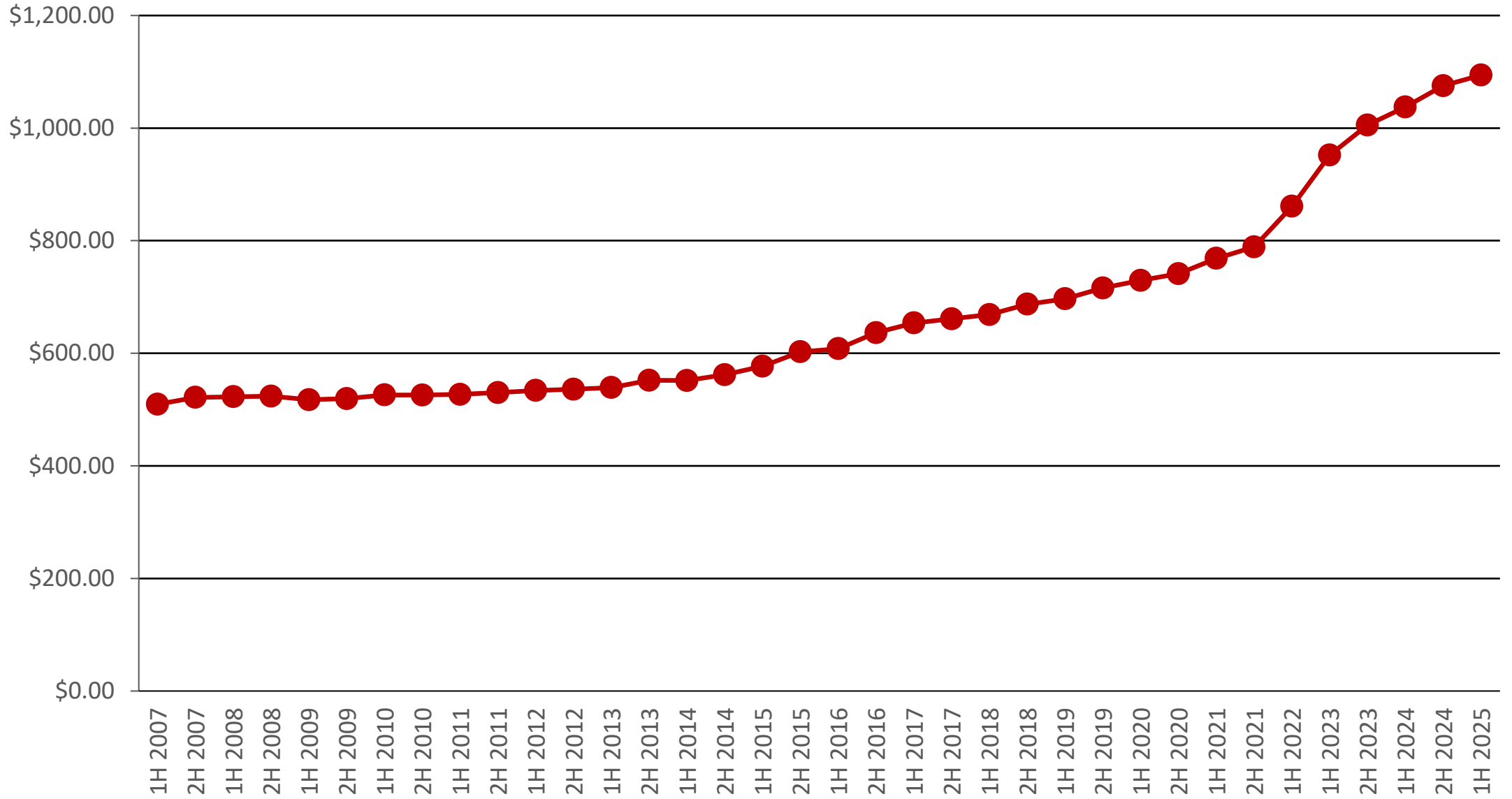


Source: Skyline Report, MLS Database

Selected Cities Multifamily Average Vacancy Rates by City

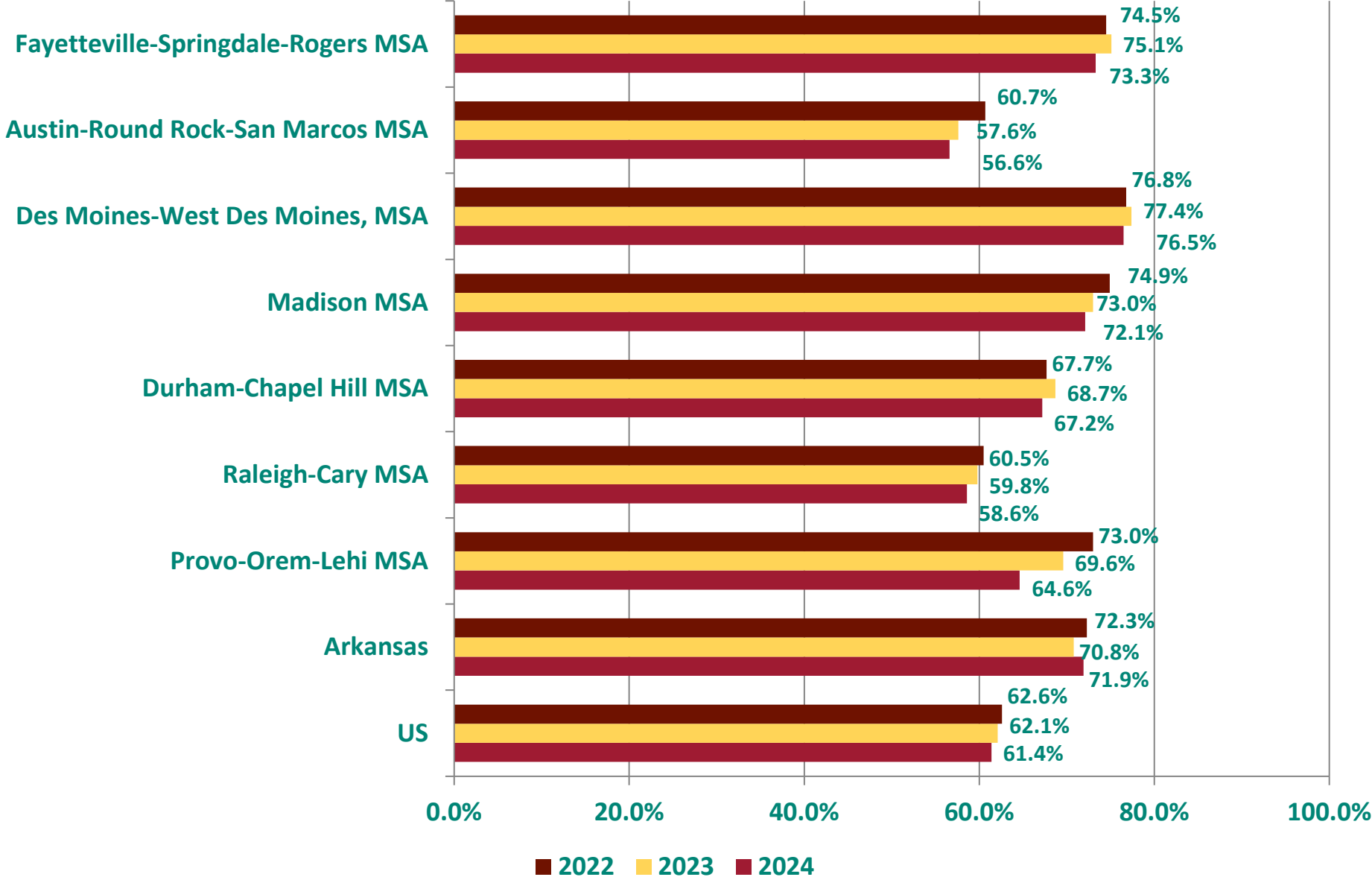


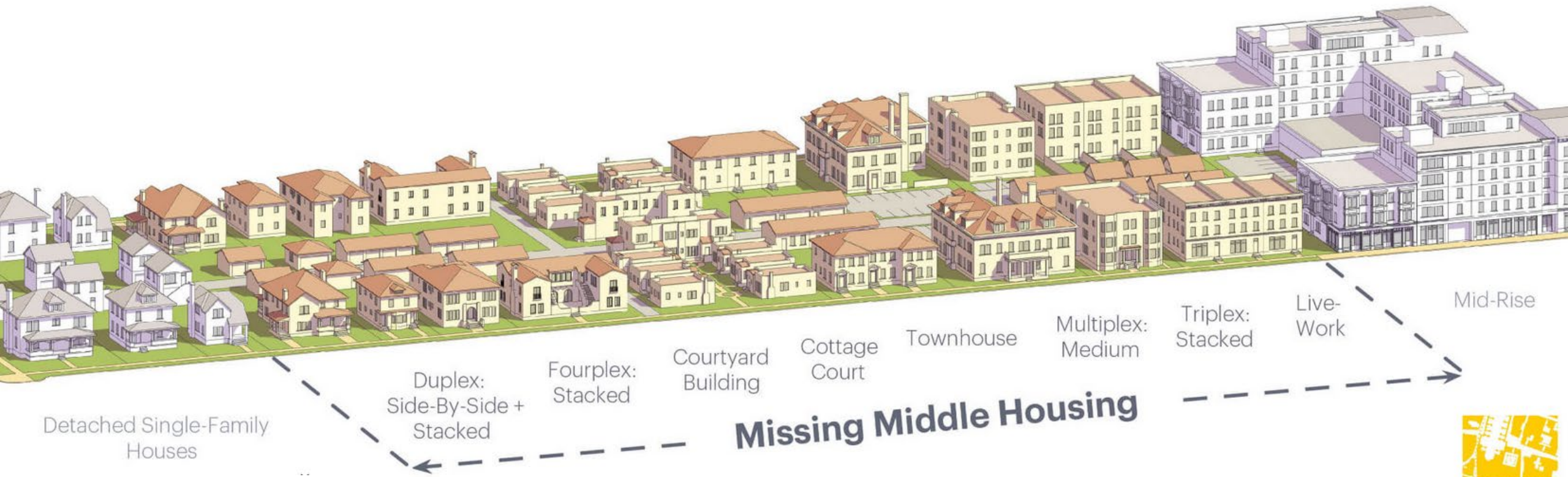
Northwest Arkansas Average Rent



Commuting: Percent of Workers Traveling Fewer than 30 Minutes

Source: U.S. Census Bureau



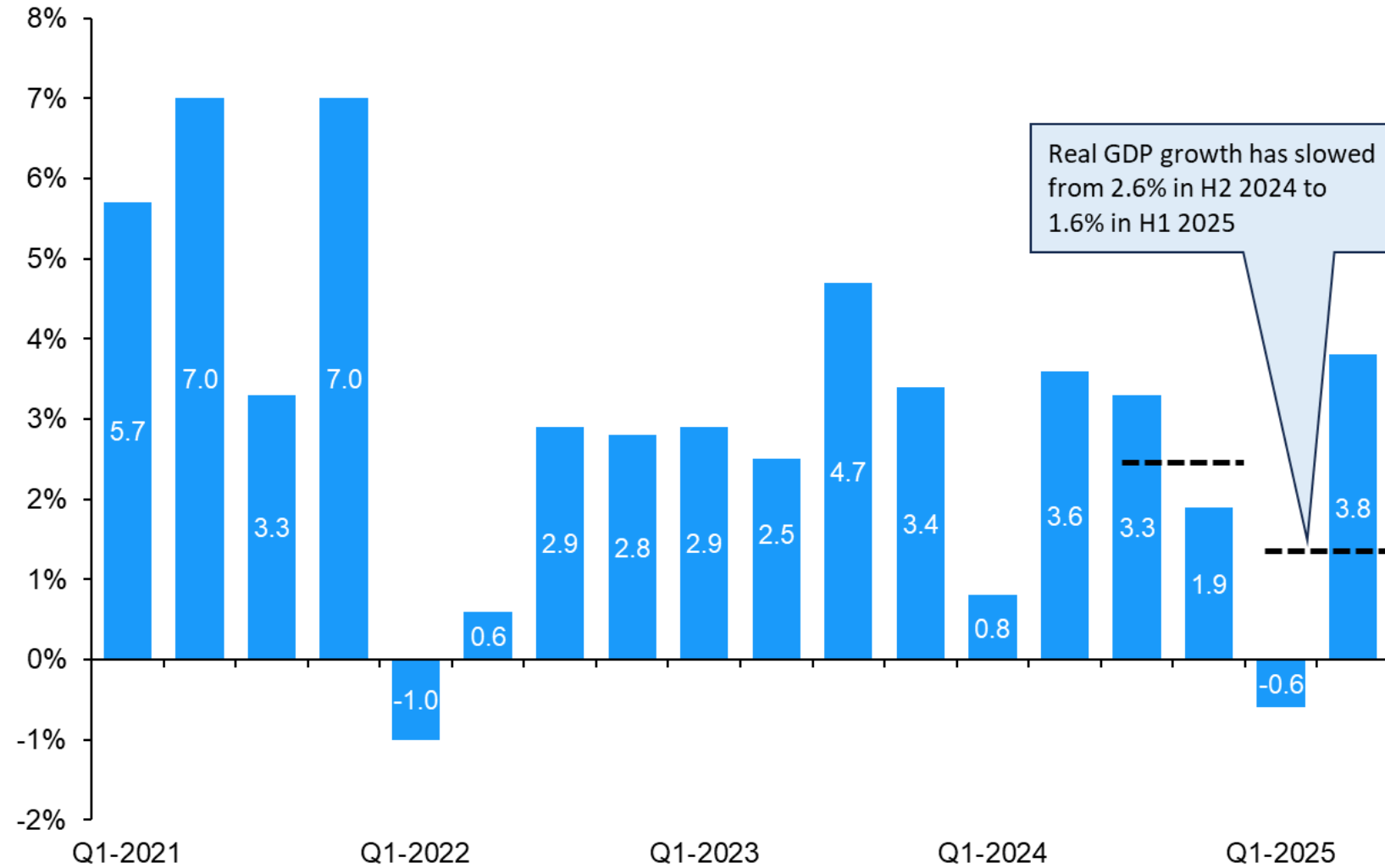


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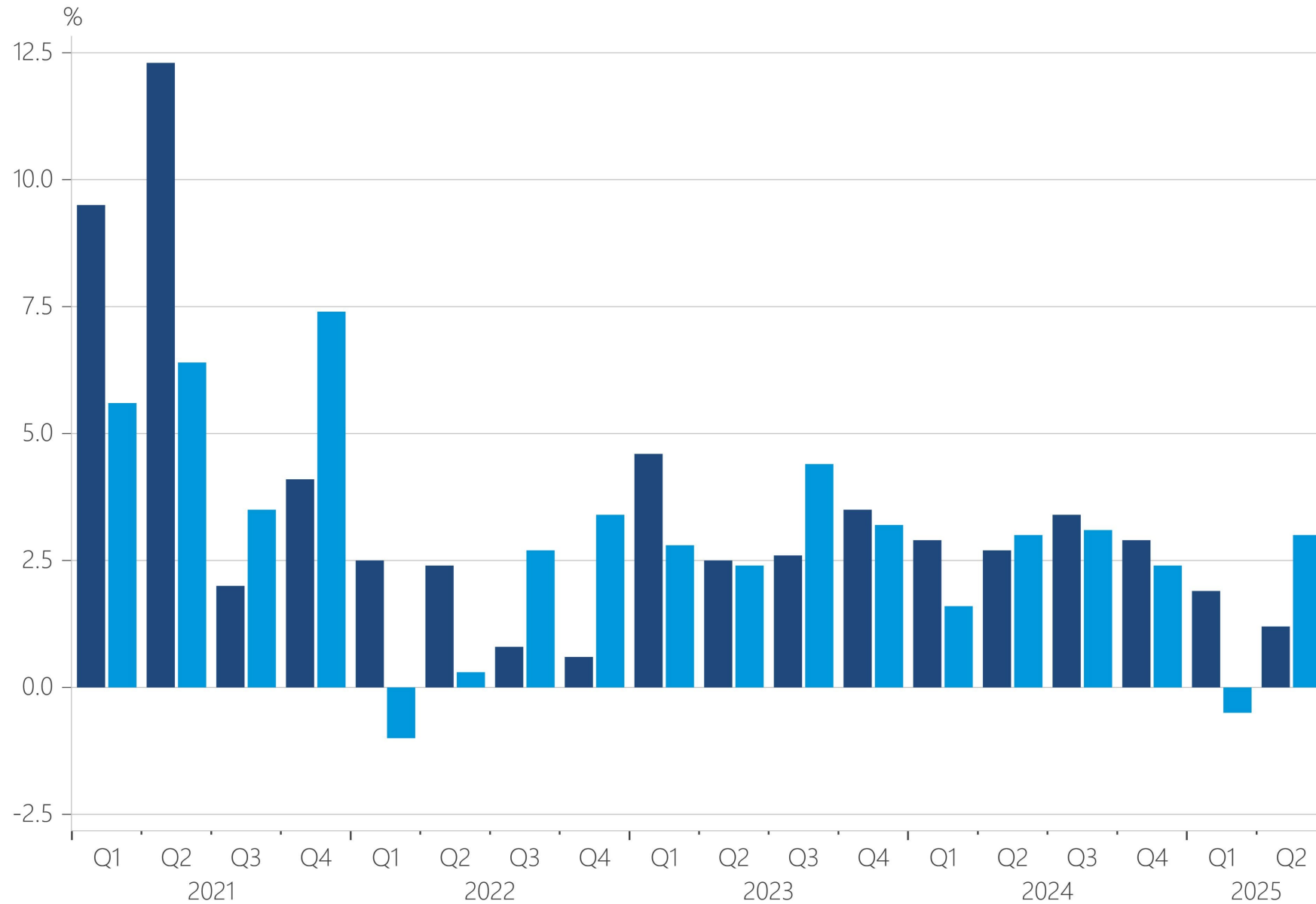
Real GDP growth 2021 Q1 - 2025 Q2



Source: BEA; EY-Parthenon analysis

Economic growth rates, annualized

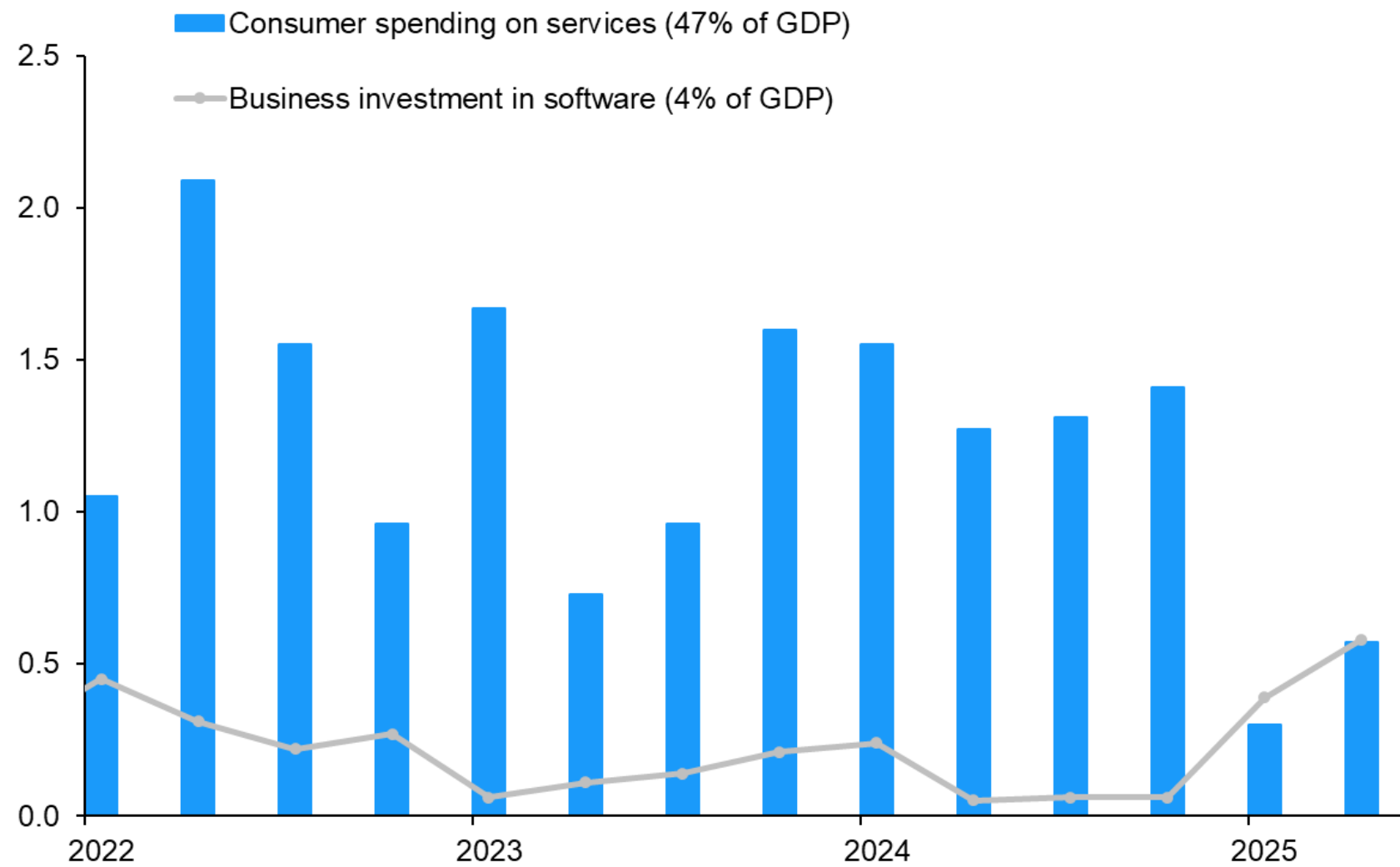
■ Real final sales to private domestic purchasers ■ Real gross domestic product



Source: Macrobond, U.S. Bureau of Economic Analysis (BEA)

Contributions to real GDP growth

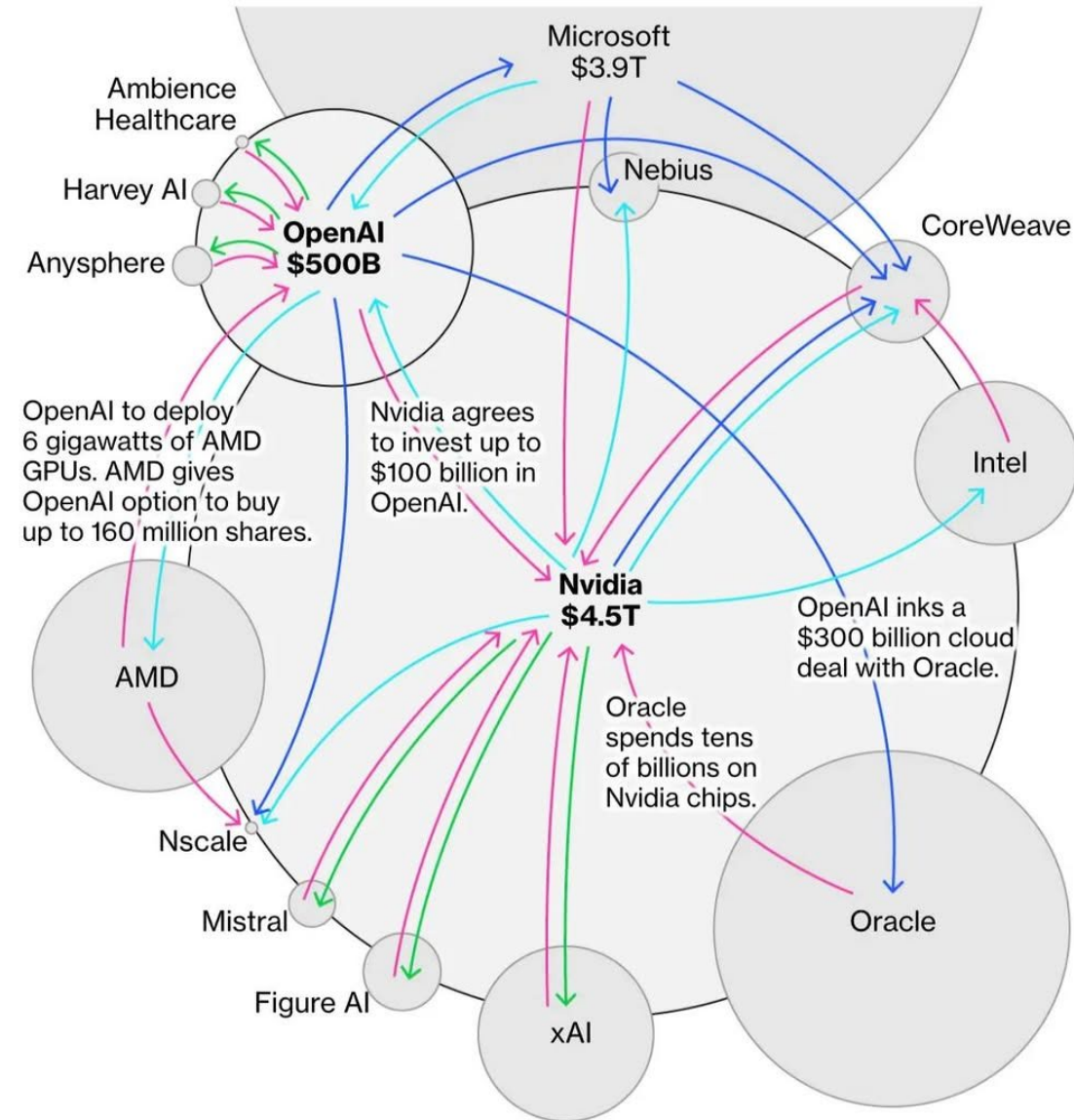
2022 Q1 - 2025 Q2, annualized



Source: BEA; EY-Parthenon

How Nvidia and OpenAI Fuel the AI Money Machine

/ Hardware or Software
 / Investment
 / Services
 / Venture Capital
 Circles sized by market value

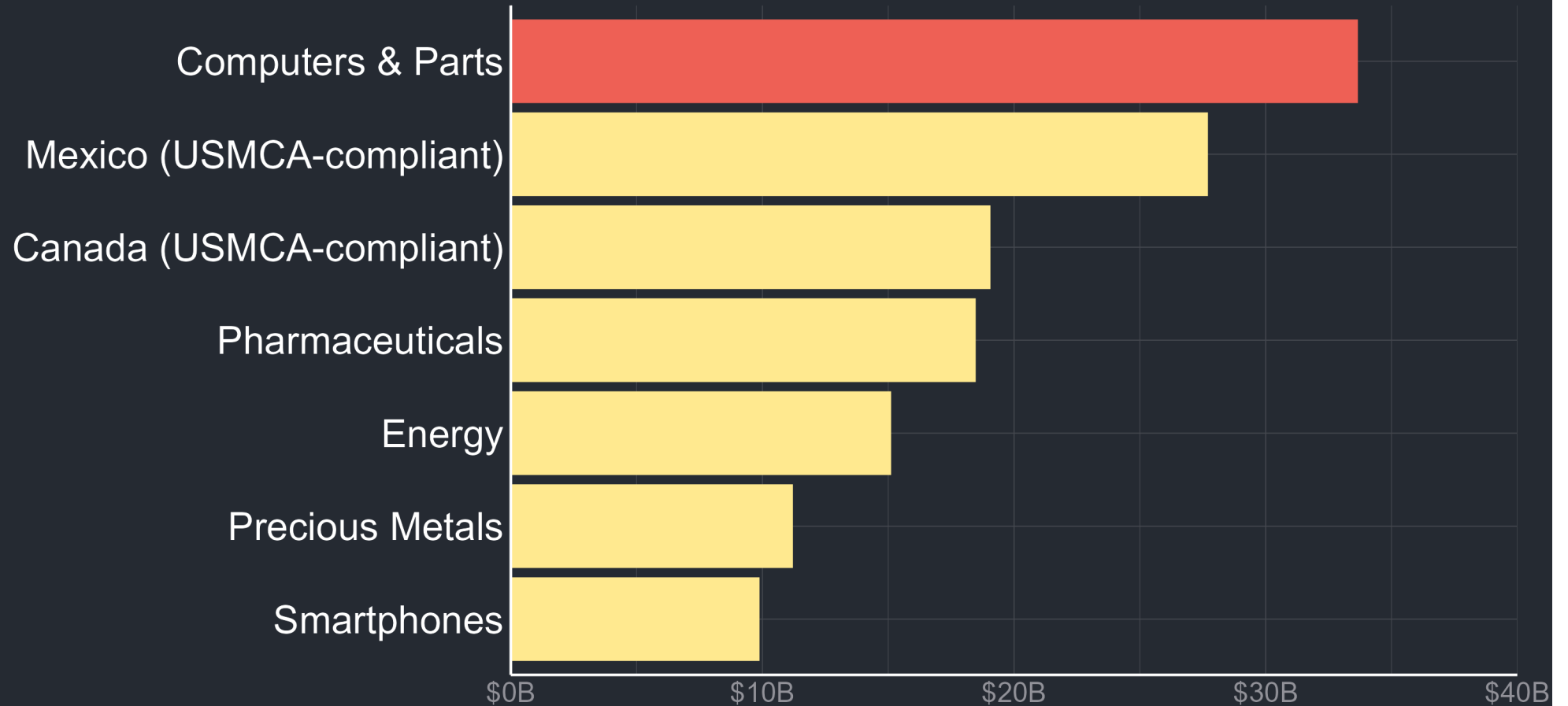


Source: Bloomberg News reporting



Largest Tariff Exemptions, July 2025

Computers & Parts are Currently the Largest Category of Tariff-Exempt Products

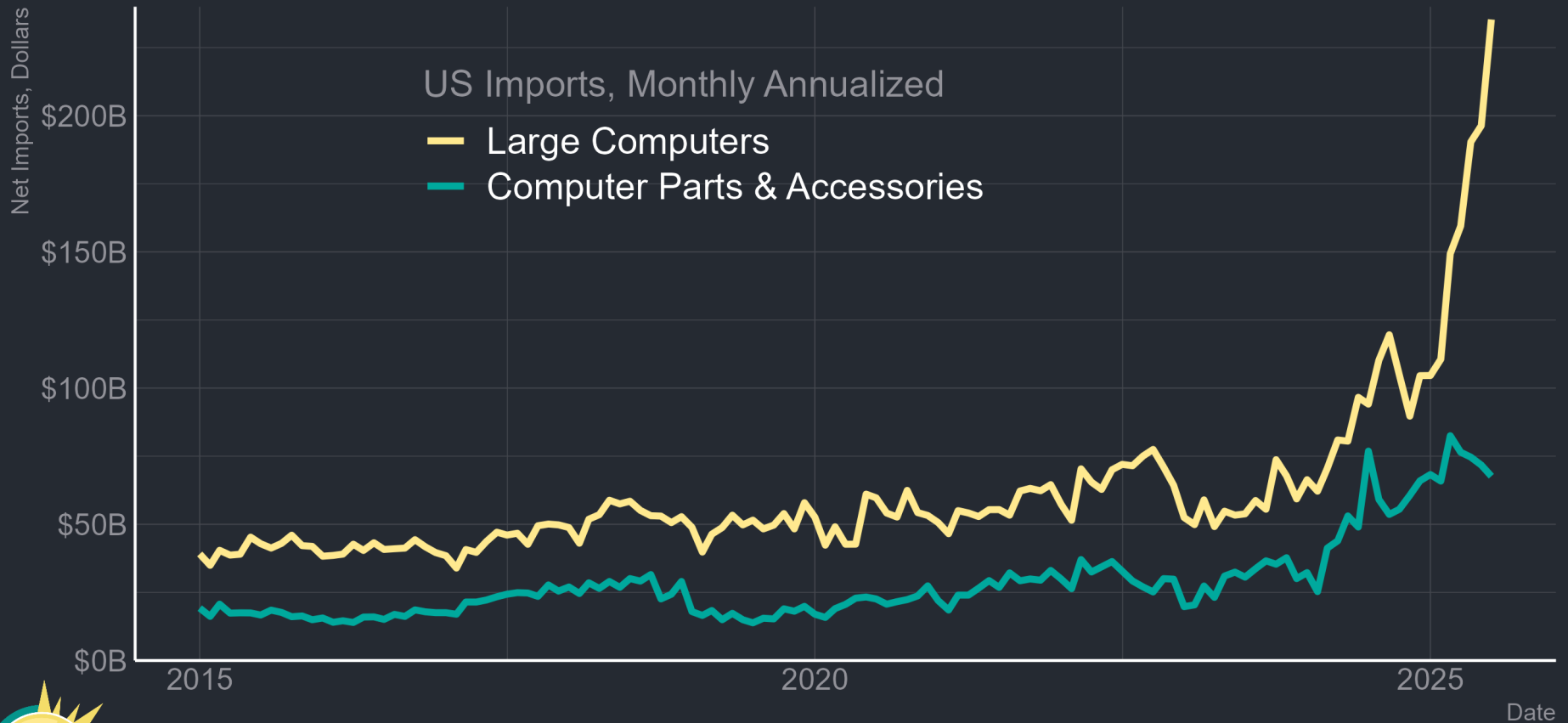


US Imports in Category, July 2025

Graph created by @JosephPolitano using Census Data

Computer Imports Surge Amid the AI Boom

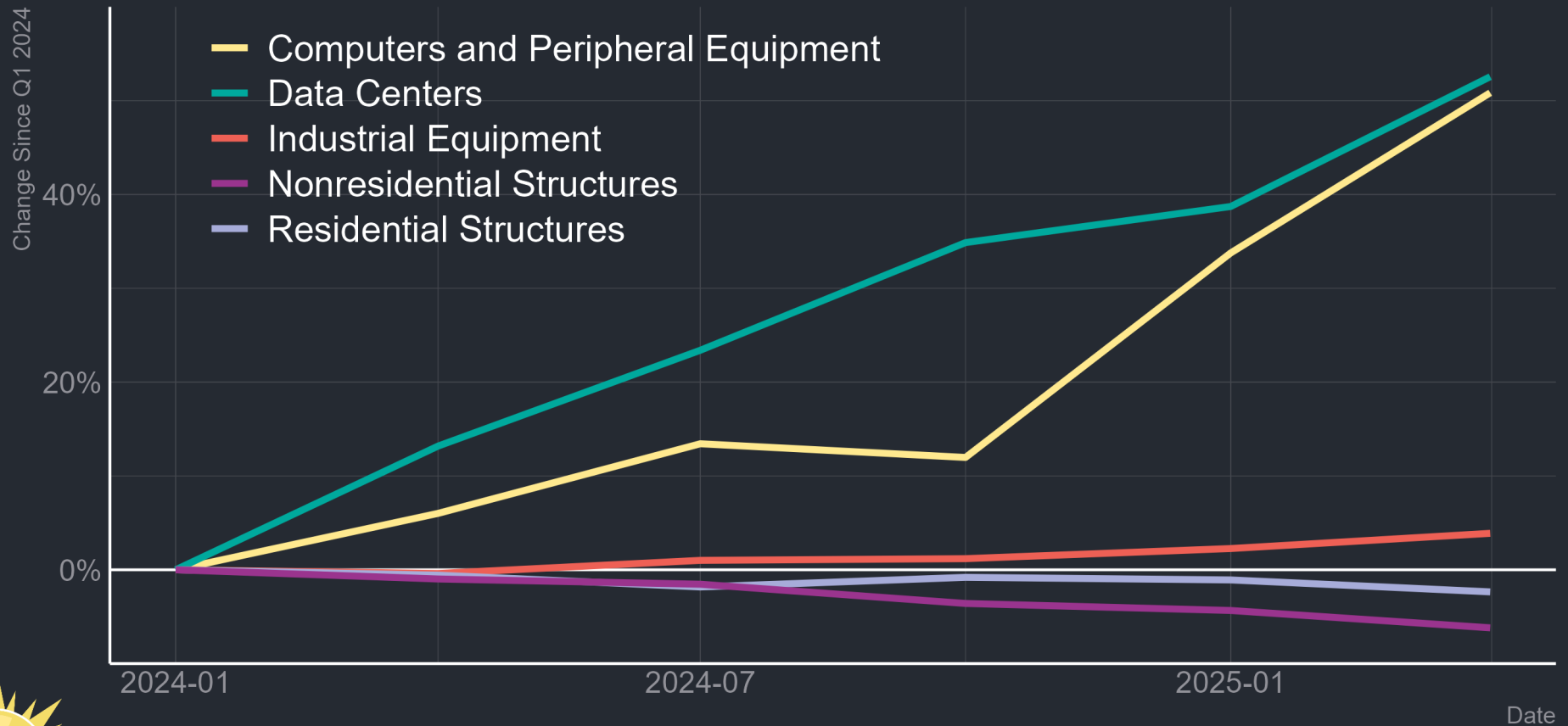
AI & Data Center Demand Has Driven a Massive Boom in US Computer Imports



Graph created by @JosephPolitano using Census Trade data. Large Computers = HS8471 ex Laptops, Computer Parts = HS8473

Real Fixed Investment, Growth Since Q1 2024

Computer Investment Has Grown Significantly Since the AI Boom, But Others Are Struggling



Graph created by @JosephPolitano using BEA data



Figure 3. U.S Average Effective Tariff Rate Since January 1, 2025

Policy as of October 17, Pre-Substitution
Percent of goods import

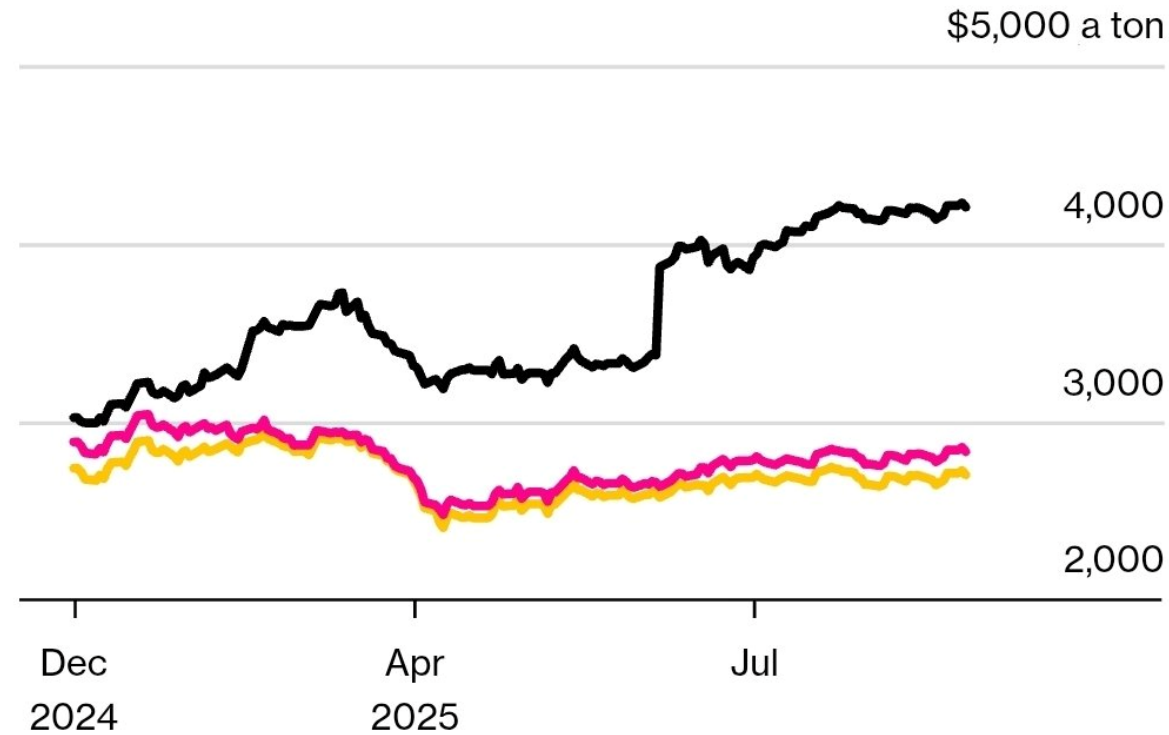


Chart: The Budget Lab • Source: The Budget Lab analysis. • Created with [Datawrapper](#)

US Aluminum Prices Surge Above Those in Overseas Markets

Premium for the lightweight metal has soared due to tariffs

— US — Europe — Japan

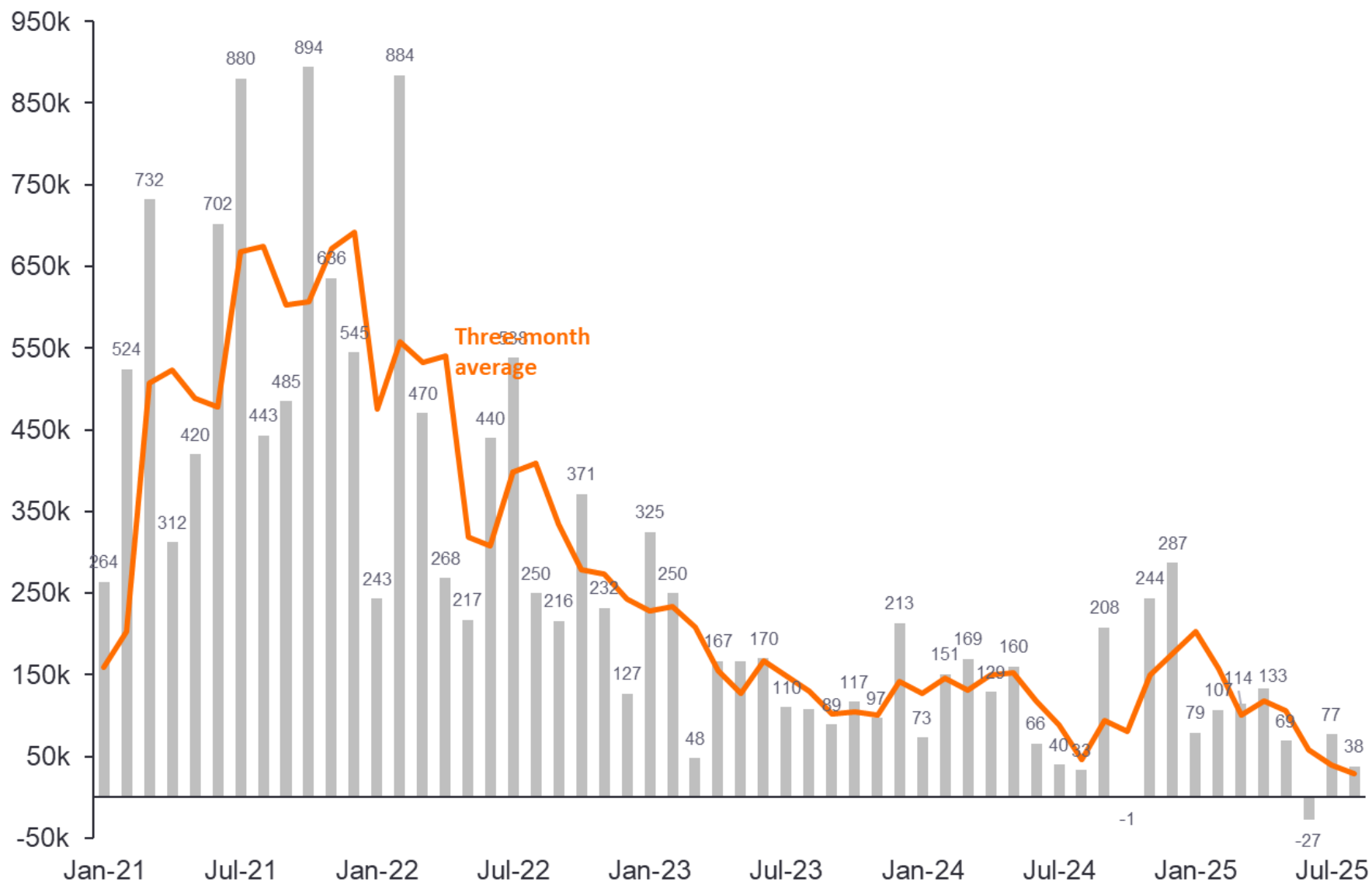


Source: Fastmarkets, LME, Bloomberg

Note: US price is LME cash plus regional premium; Europe price is LME cash plus regional premium; Japan price is LME cash plus regional premium.

Bloomberg

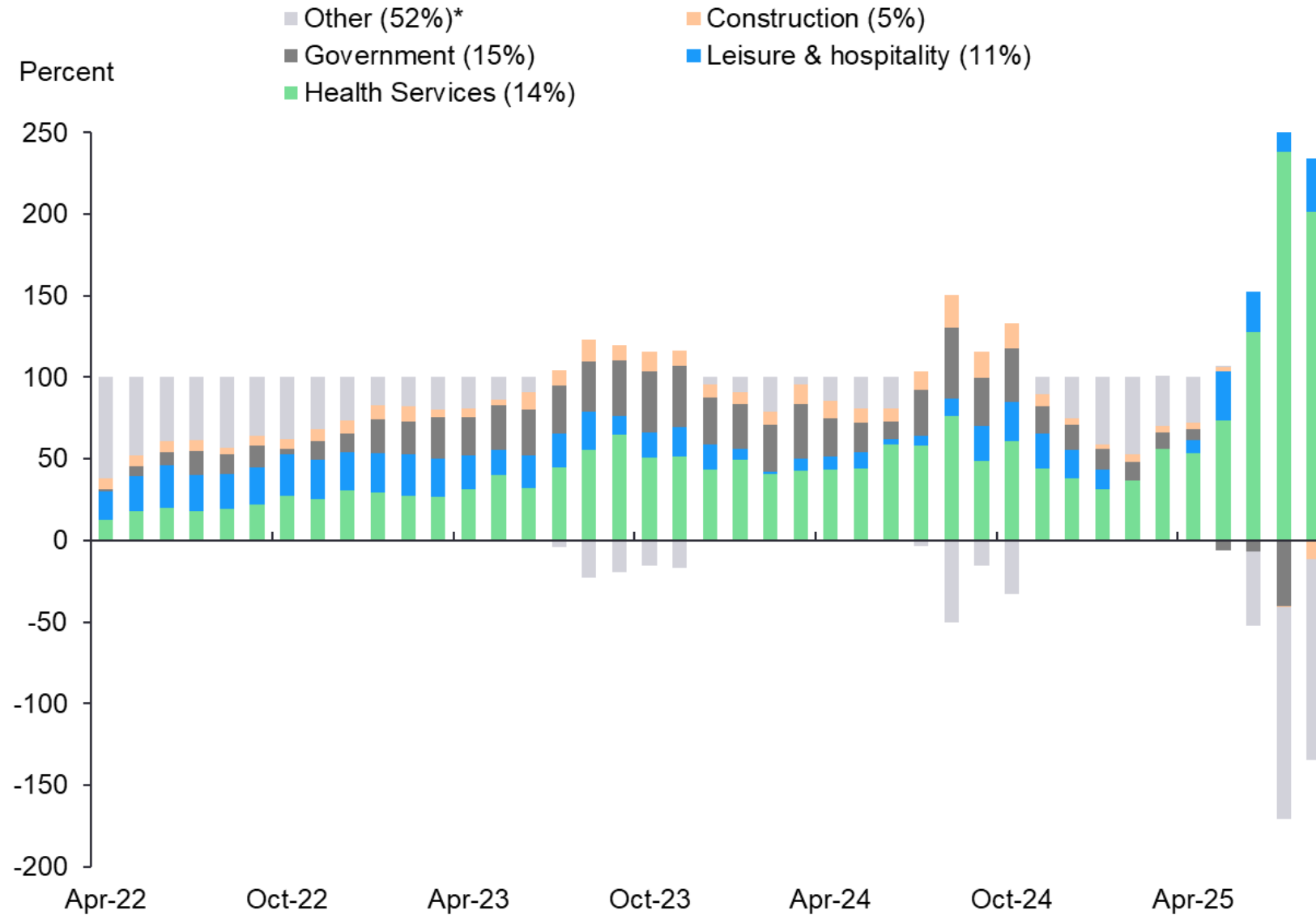
Month-over-month change in total private employment January 2021 - August 2025



Source: BLS; EY-Parthenon

Share of total payroll gains by sector on a 3-month rolling average

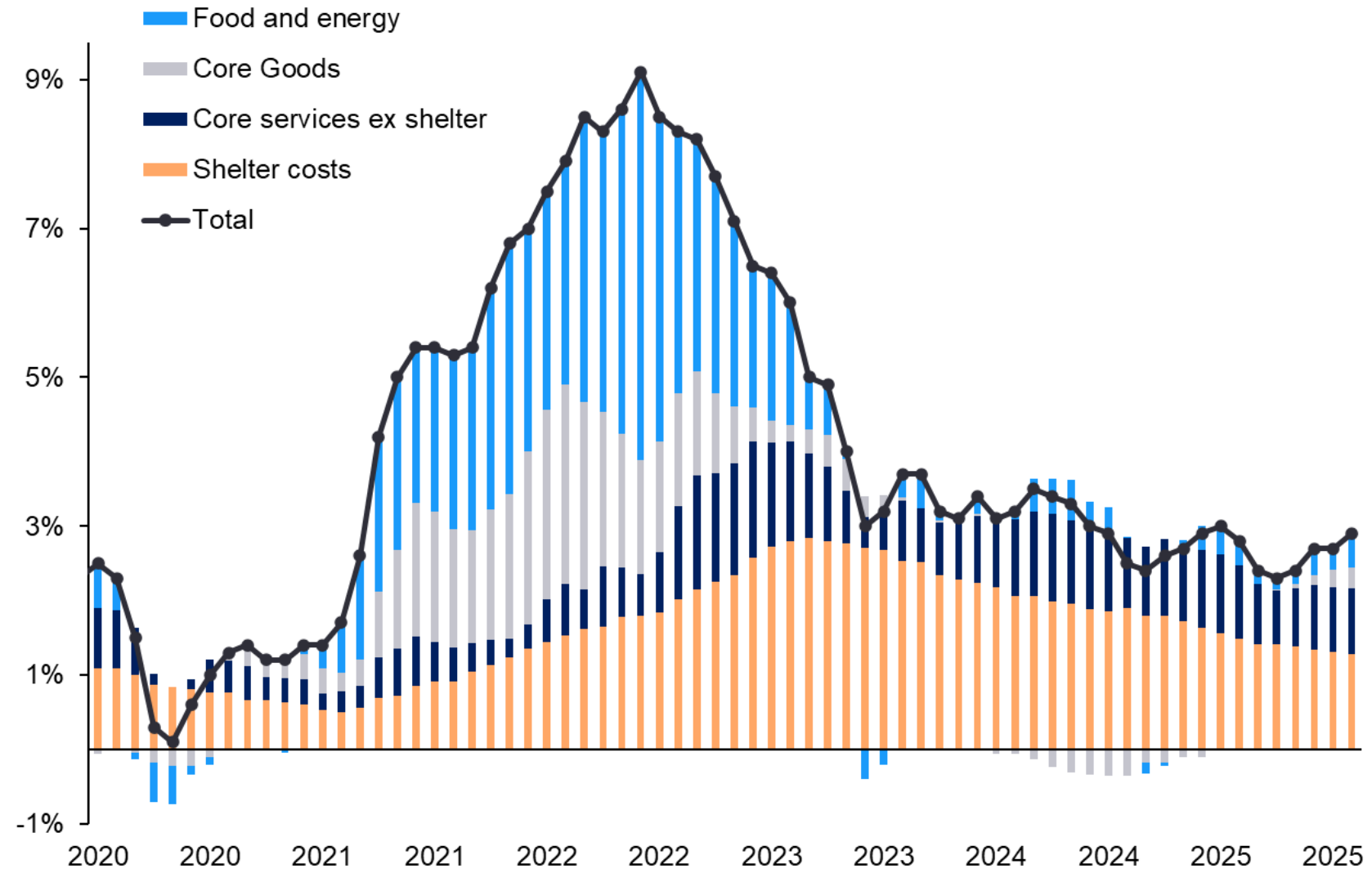
April 2022 - August 2025



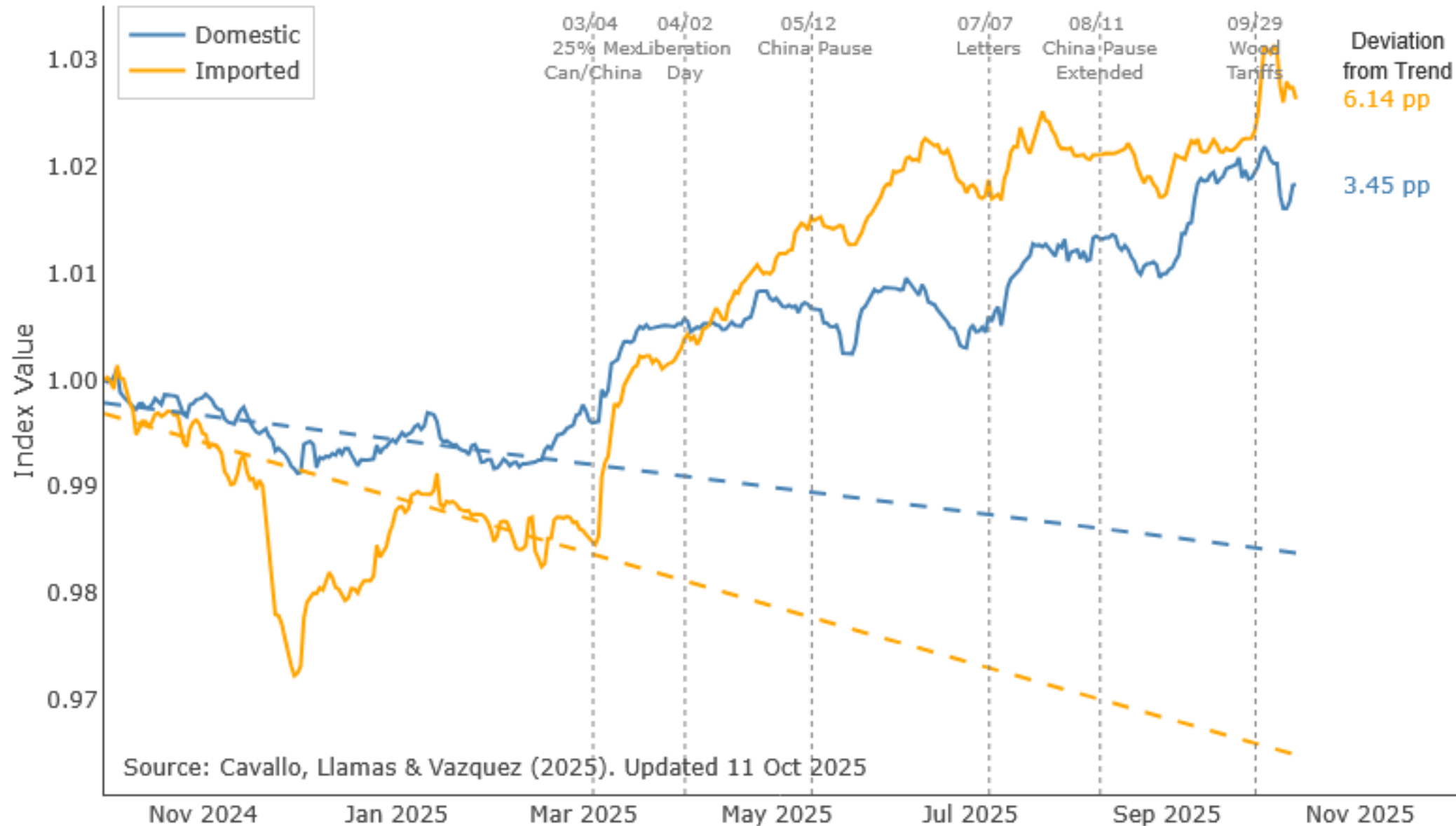
Source: BLS; EY-Parthenon
* (Share of total employment)

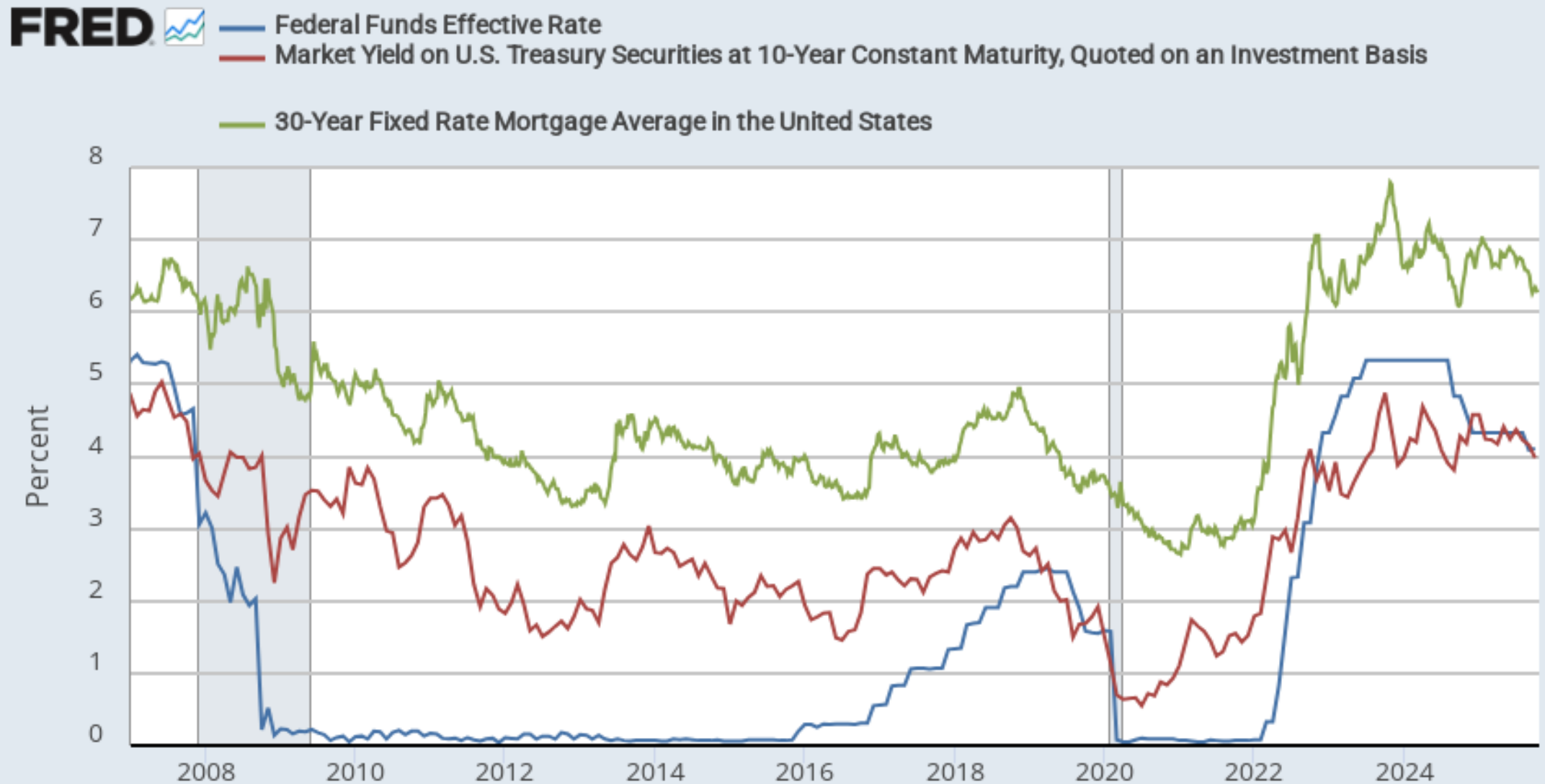
Year-over-year percent change in consumer price index (CPI)

January 2020 - August 2025



Source: BLS; EY-Parthenon





Sources: Board of Governors of the Federal Reserve System (US); Freddie Mac via FRED®

Shaded areas indicate U.S. recessions.

myf.red/g/1Nk09

ARKANSAS

BUSINESS FORECAST



SAVE THE DATE

2026 Business Forecast Luncheon

Friday, January 30, 2026

Rogers Convention Center, Rogers, Arkansas

More details will be available in December at
cber.uark.edu or email cber@uark.edu



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