

NC Economy Watch

January 2026

Andrew Berger-Gross

Senior Economist

Jonathan Guarine

Economist

NC Department of Commerce

Labor & Economic Analysis Division (LEAD)

January 20, 2026

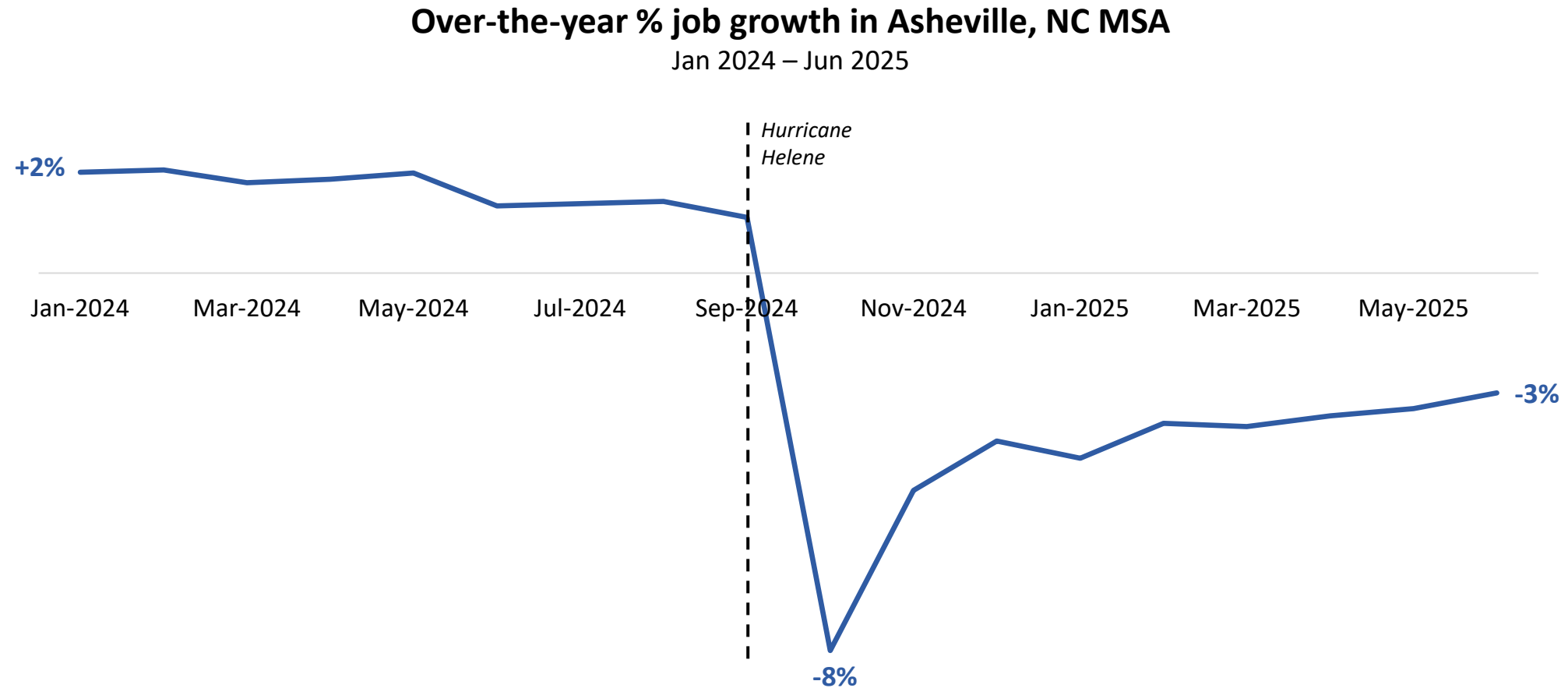
Remembering the year that was

In January 2025, we presented **three big questions** for the new year:

- 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**?

Has Asheville's labor market recovered?

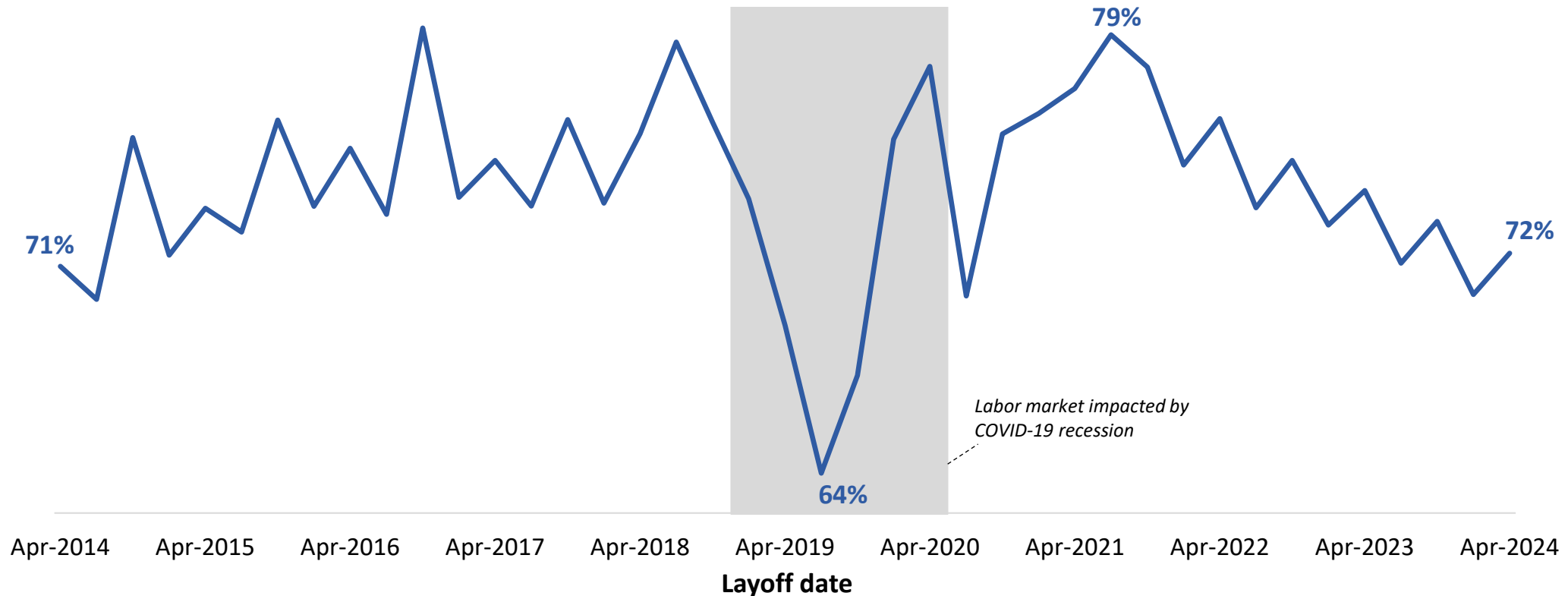
No, not yet



Did conditions improve for jobseekers?

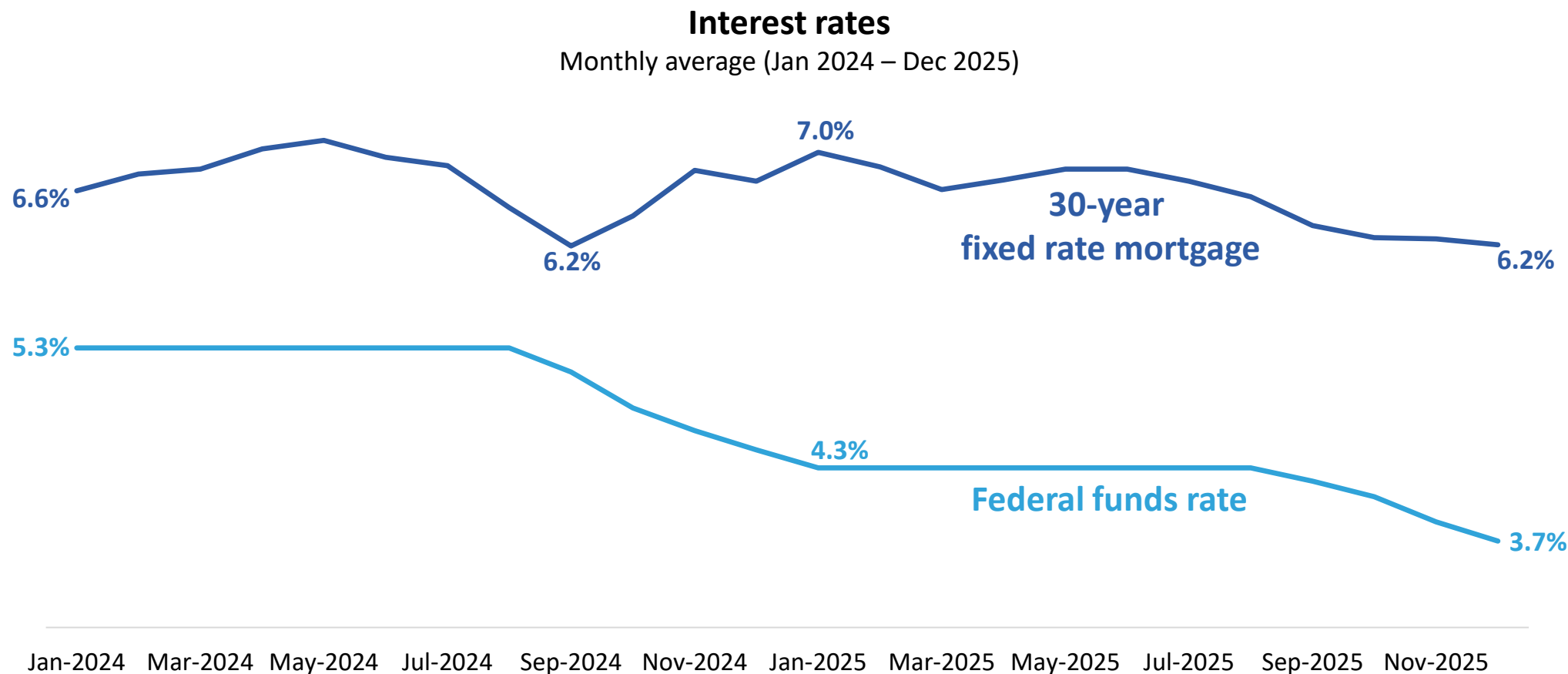
No, and they may have gotten worse

% of unemployment insurance claimants in North Carolina re-employed one year after layoff



Did interest rates decline?

Yes, but not by much



Poll: Which economic story will you be following most closely in the year to come?

- The labor market situation (unemployment, job growth)
- Economic recovery in Western North Carolina
- Artificial intelligence
- Tariffs and trade
- Housing construction and affordability
- Demographics and labor force participation
- Something else (please specify in the MS Teams chat)

Resources of interest

January 2026 NC Economy Watch

Hiring Continues to Weaken as North Carolina Approaches Fifth Consecutive Year of Labor Market Slowdown

<https://www.commerce.nc.gov/news/the-lead-feed/january-2026-nc-economy-watch>

Follow us on social media:

- [LEAD Feed blog](#)
- [LinkedIn](#) and [X \(formerly Twitter\)](#)
- Newsletters: contact LEAD@commerce.nc.gov to subscribe

“Thank you!”

Andrew Berger-Gross

Senior Economist

andrewbg@commerce.nc.gov

Jonathan Guarine

Economist

jonathan.guarine@commerce.nc.gov