



Second Quarter Economic Update

Leaders for a Better Louisiana

July 2026

Key Takeaways About Louisiana in Q2 2026

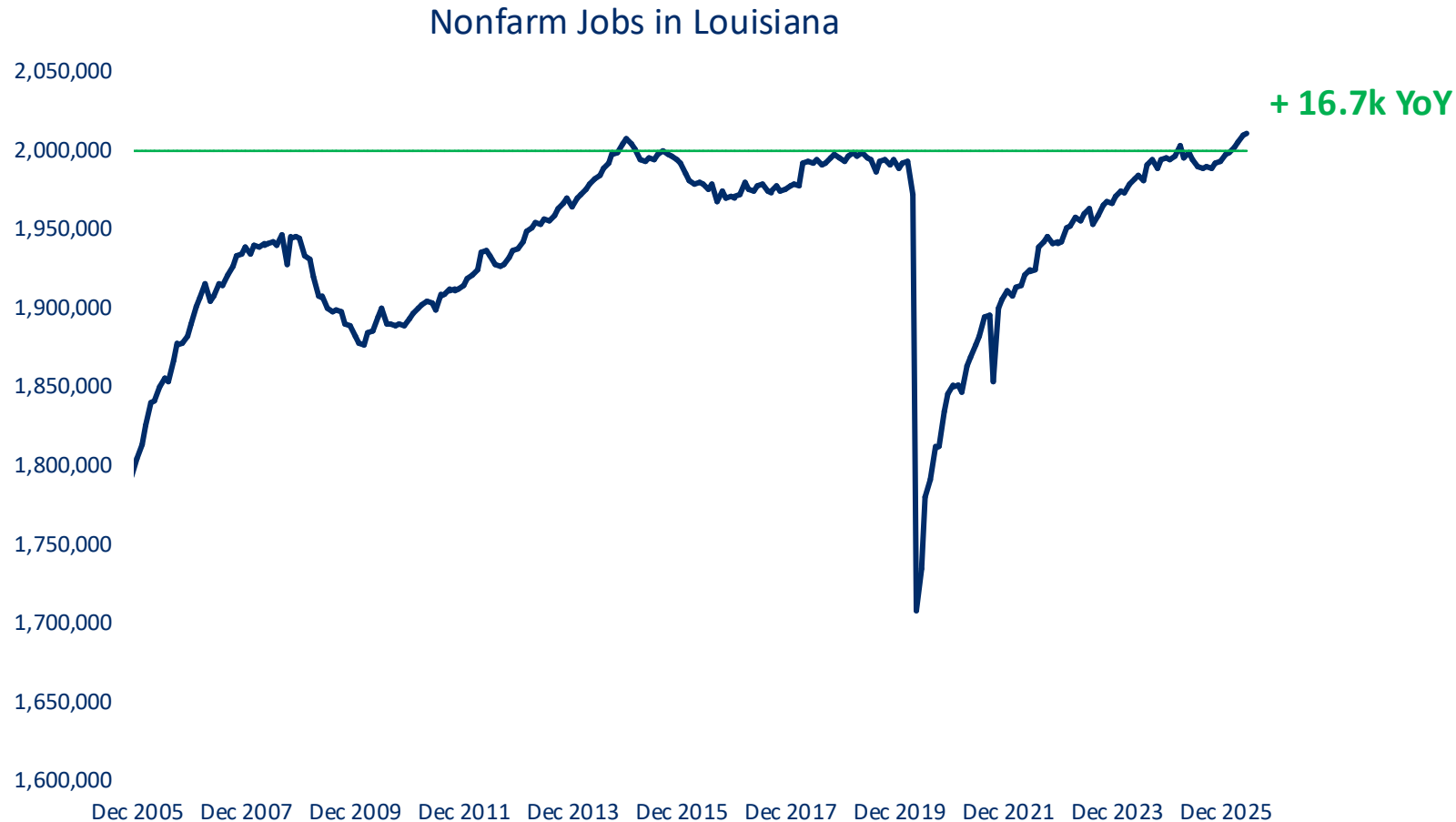


Headlines

1. Louisiana hit a new all-time high of 2.01 million nonfarm jobs in May 2026, up 16,700 (+0.8%) over the year.
2. Baton Rouge, Monroe, and Lake Charles metro areas had the fastest rates of growth, while the Houma and Shreveport metros saw the largest declines
3. Louisiana's rate of growth was 4th fastest among the Southern states, and tied for 6th fastest in the US overall for May, driven by construction sector (+9,300 jobs)
4. Construction, Healthcare, and Manufacturing are the three fastest growing industry sectors.
5. Louisiana's real GDP grew 2.7% over the year; 4th-fastest of 16 Southern states and on par with U.S. growth of about 2.7%.
6. New business applications are up 48% since 2019, but that growth ranks just 15th of 16 Southern states.
7. Home insurance remains a challenge: at about \$5,986 a year, Louisiana's premiums are the 2nd-highest of 16 Southern states.
8. Louisiana saw the largest improvement in the US South on the nonpartisan Tax Foundation's "Competitiveness Index," moving up 6 spots in 2026 over 2025. Louisiana ranks 12th overall for tax competitiveness in the Southern US.

Louisiana Reaches a New All-Time High in Jobs

Analysis



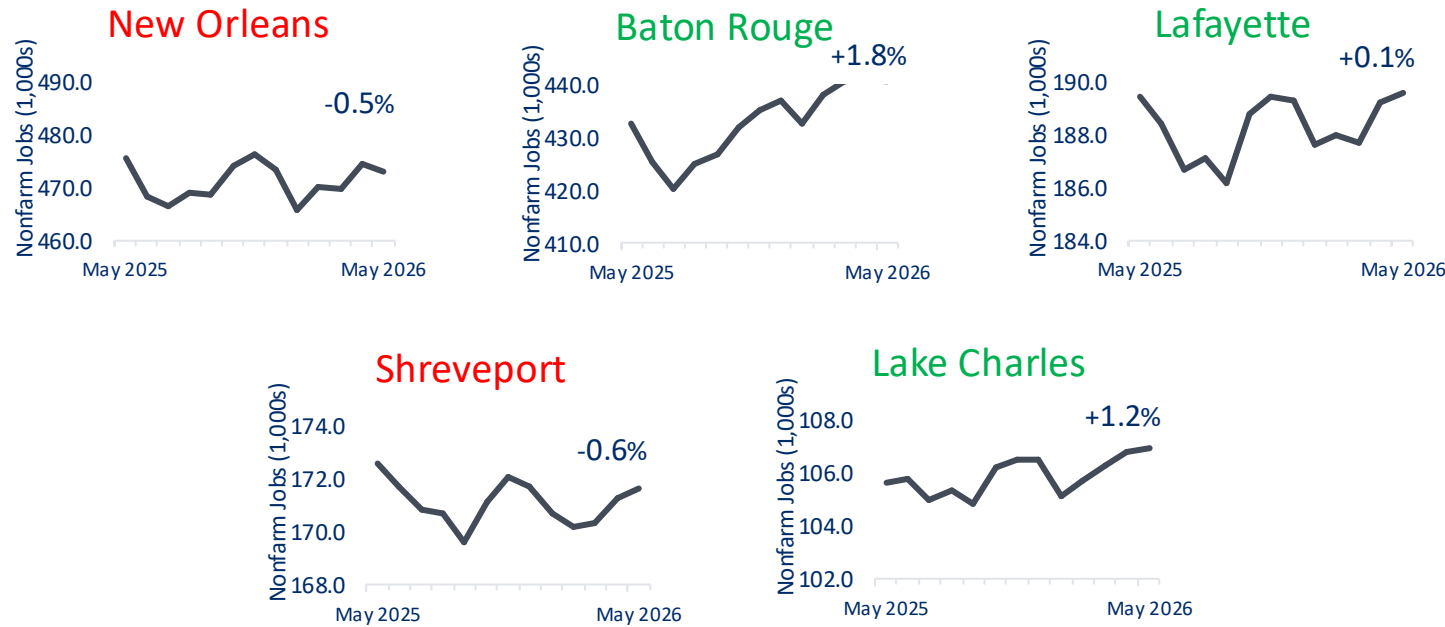
- Louisiana hit a new all-time high of 2.01 million nonfarm jobs, as of May 2026
- The state added 16,700 jobs (+0.8%) over the year since May 2025
- Louisiana has remained above 2 million nonfarm jobs for four straight months, while total employment has been above that two million mark for ten months

Source: Nonfarm jobs. Bureau of Labor Statistics; figures are seasonally adjusted; 20-year data goes through May 2026



Baton Rouge Led Louisiana Metros in Job Growth Over the Last Year

Analysis

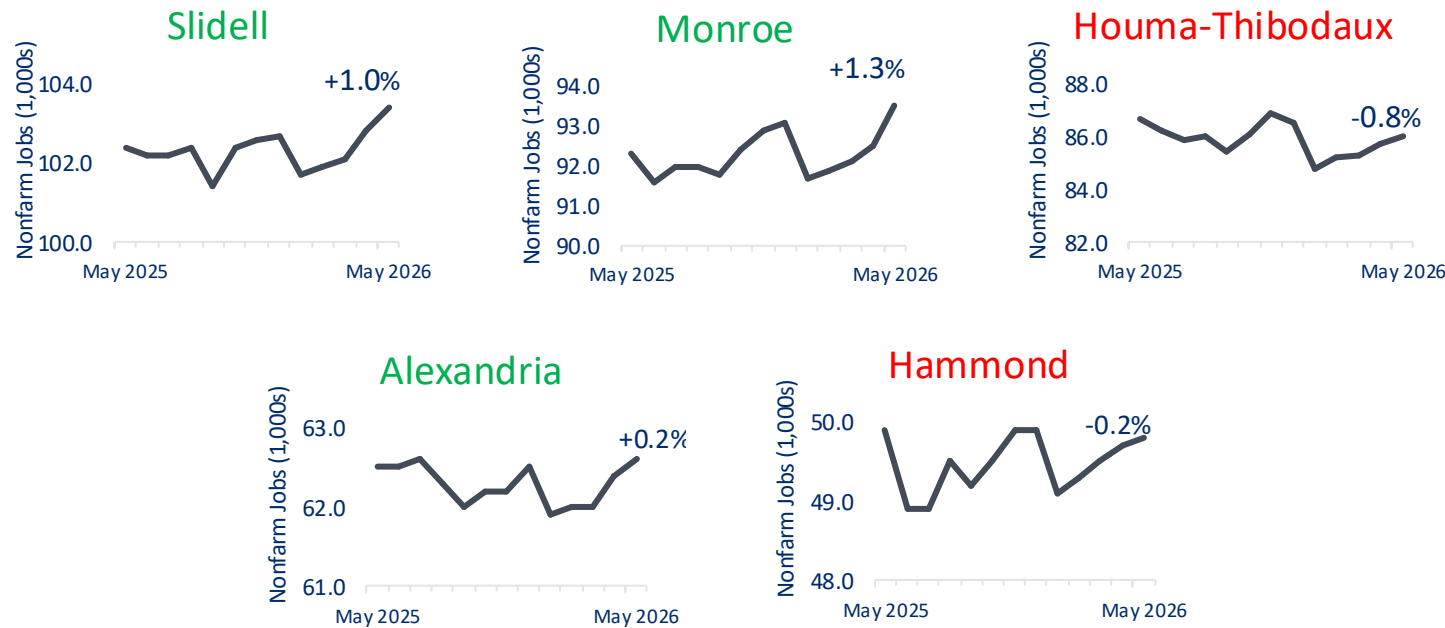


- Through May 2026, Baton Rouge added the most jobs of any LA metro (+7,900, +1.8%)
- Lake Charles (+1,300, +1.2%) also grew as Southwest Louisiana LNG projects continued construction



Monroe's Growth Was Second Fastest Rate of Metro Expansion

Analysis

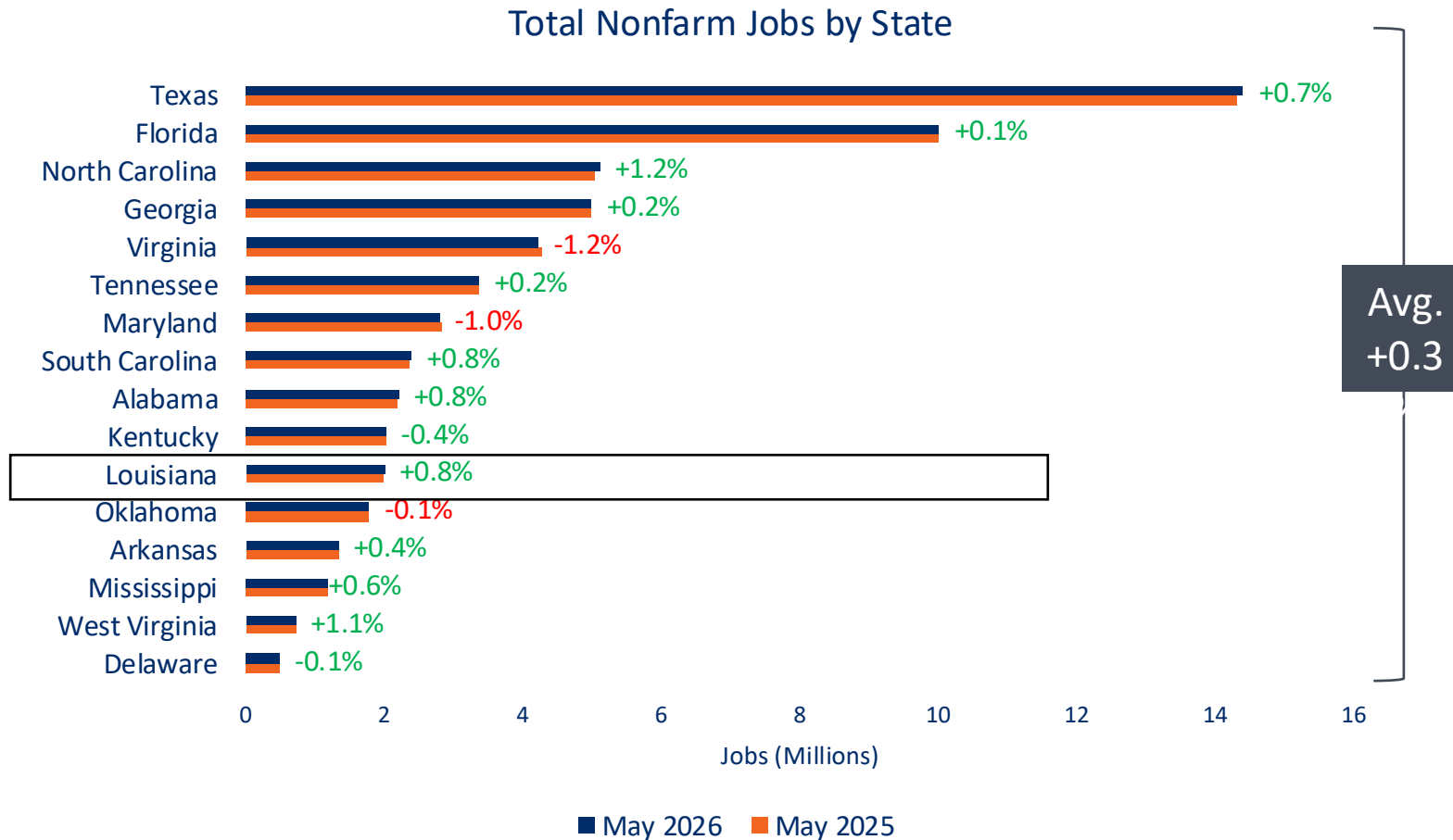


- Monroe metro area grew second fastest in Louisiana (+1,200, +1.3%)
 - Continued impact of \$50B Meta data center construction in Richland Parish
- Slidell (+1,000, +1.0%) led the smaller metros
- Overall, 6 of Louisiana's 10 metros added jobs over the year



Louisiana Had the 4th-Highest Job Growth in South, 6th Fastest in US

Analysis



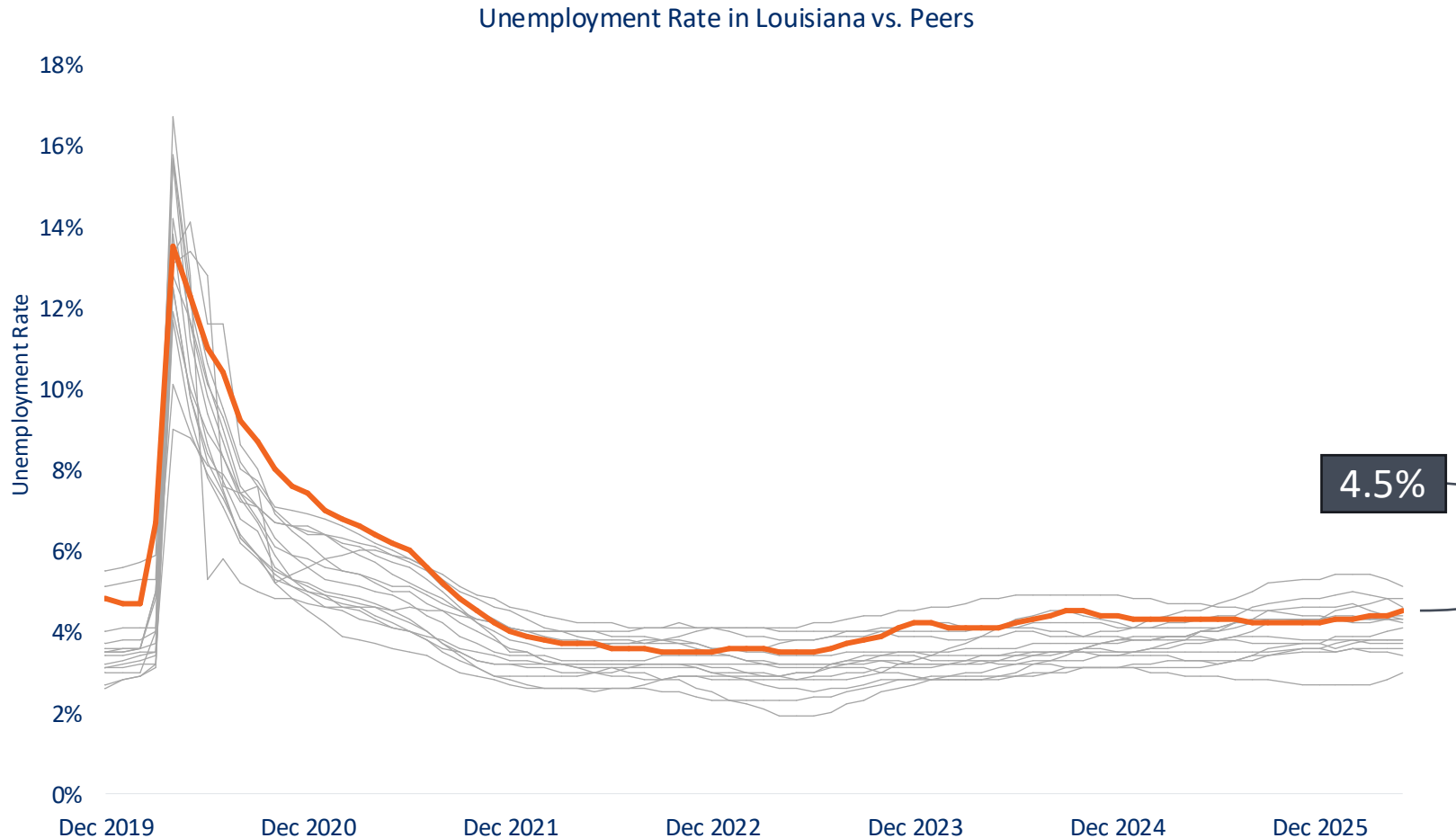
- Louisiana's rate of job growth ranked 4th of 16 — trailing North Carolina, West Virginia and South Carolina (LA +0.838%, SC +0.847%).
- Louisiana tied for 6th in job growth in the United States for May, led by NV, NC, WV, UT, and SC
- Construction led all industries (+9,300 jobs) as major projects broke ground.

Source: Bureau of Labor Statistics; total nonfarm employment captured in May of each year; figures are seasonally adjusted



Unemployment Rate is Modestly Above the Southern Average

Analysis



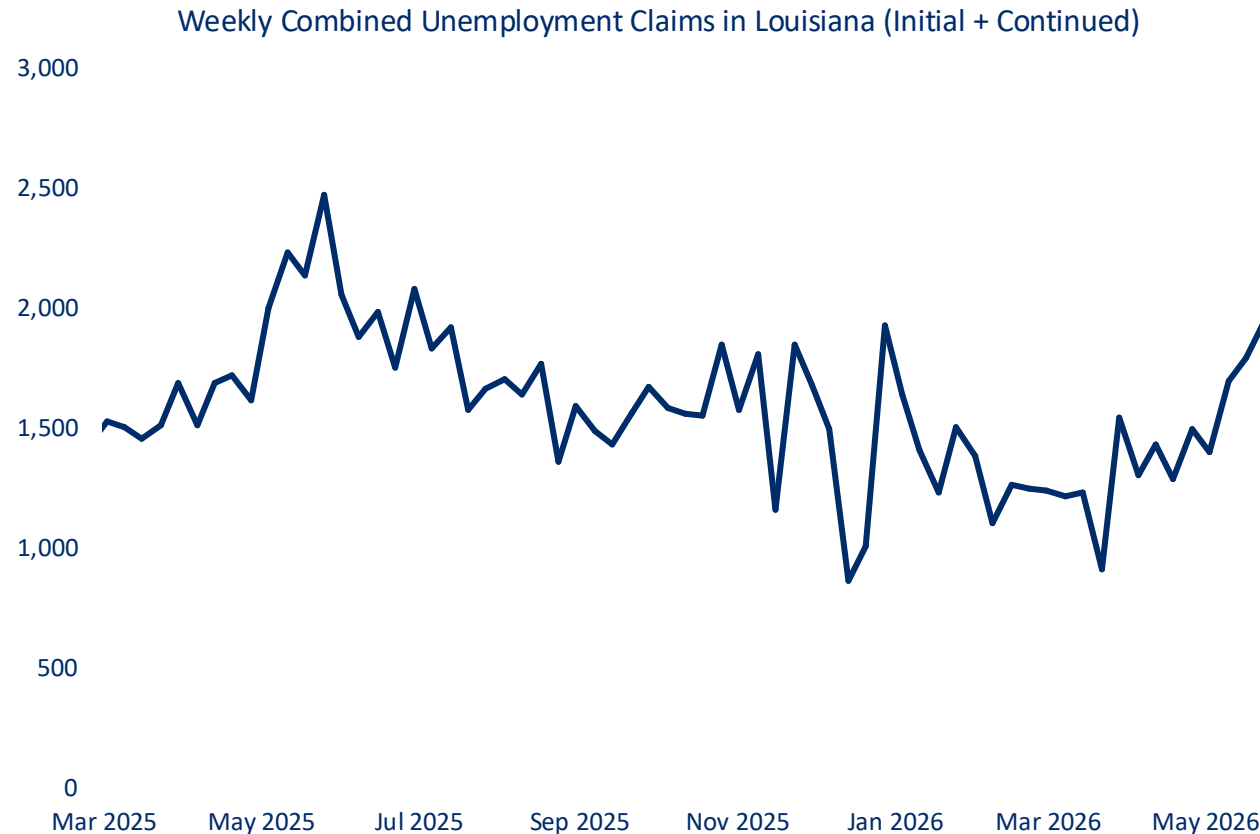
Source: Bureau of Labor Statistics; figures are seasonally adjusted

Southern States include all states within the US Census Bureau's South Census Region: Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia

- Louisiana's unemployment rate was 4.5% in May 2026, vs a Southern-state average of 4.1%
- Most Southern states cluster between 3% and 5%; Louisiana's 4.5% is among the four highest of the 16
- Since January, state unemployment has risen by 4,000, and unemployment rate by +0.2%



Unemployment Claims in Louisiana Are Down Over the Last Year



Source: U.S. Department of Labor / Louisiana Works (initial + continued claims, weekly)

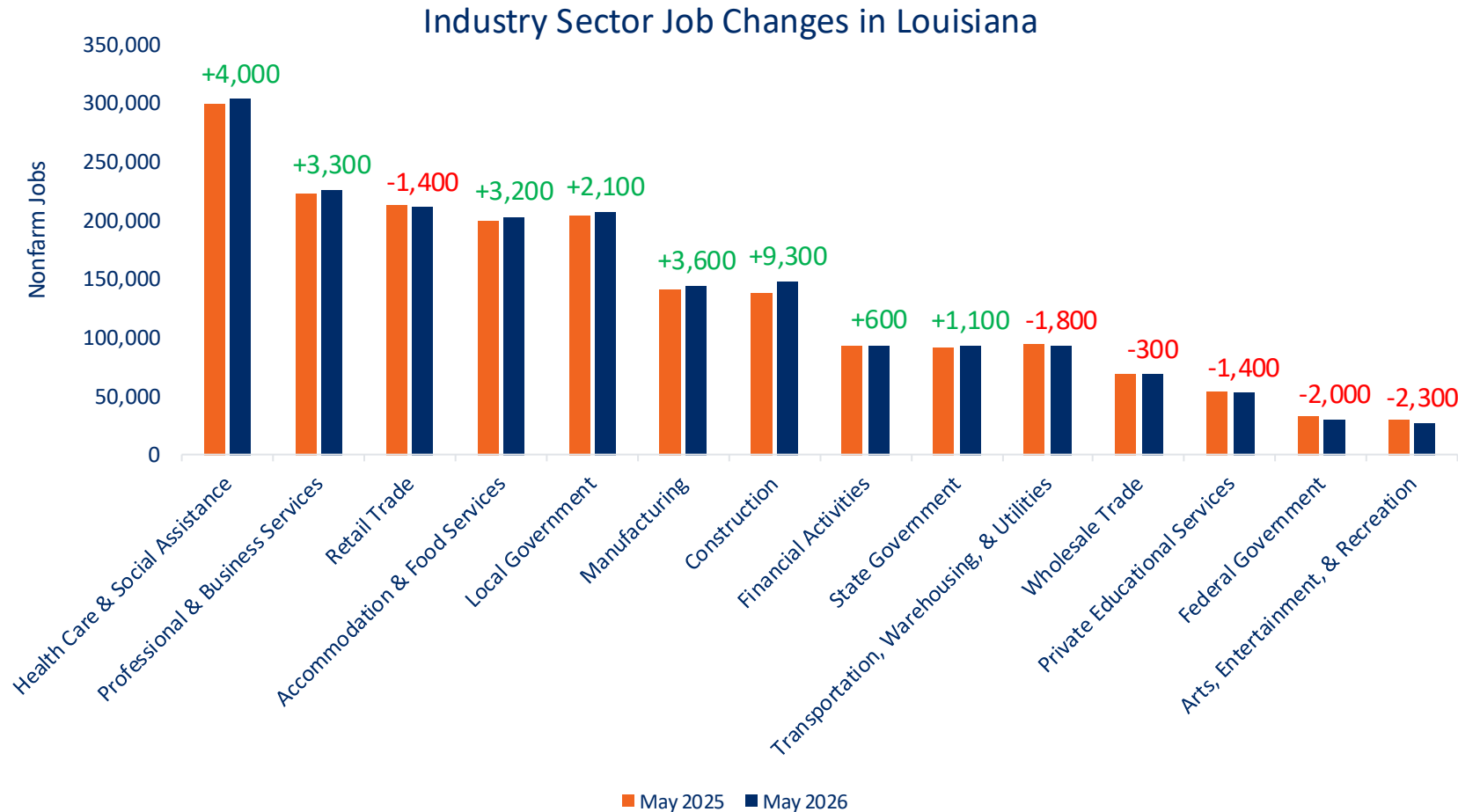
Analysis

- Combined claims (initial + continued) fell about 32% over the year, from roughly 13,900 to 9,400 a week
- The decline is led by continued claims (down 35%)
 - This signals that people are spending less time on unemployment
 - Act 412 (2024) cut maximum benefit weeks from 26 to 12, effective January 2025



Louisiana Added Jobs in a Majority of Industries, Led by Construction

Analysis



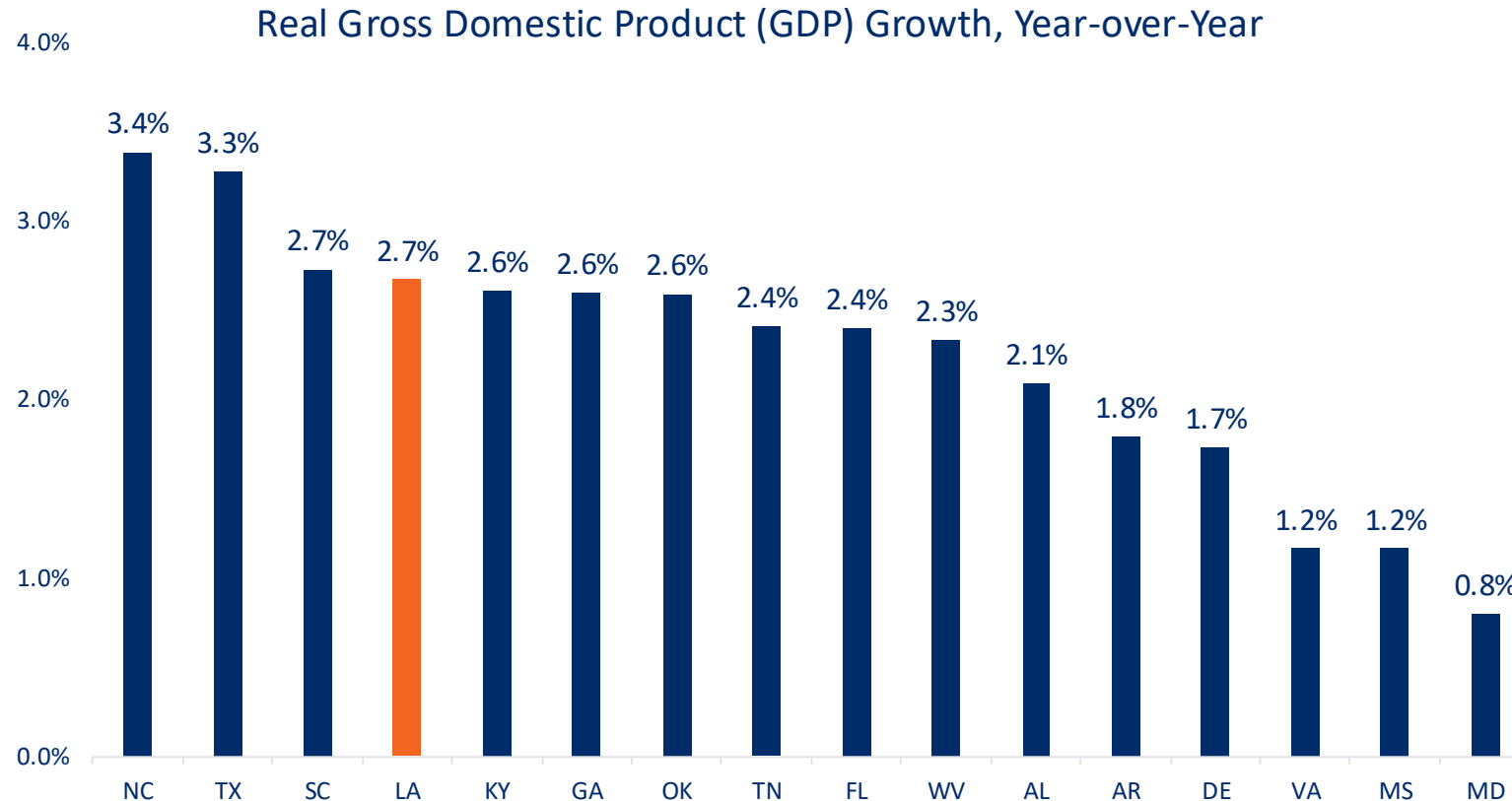
Source: Bureau of Labor Statistics; year-over-year change, May 2025 to May 2026; figures are not seasonally adjusted

- Construction led all sectors (+9,300 jobs) as the state's industrial project pipeline broke ground
- 8 of 14 sectors grew over the year
- Health Care & Social Assistance (+4,000) and Manufacturing (+3,600) also posted strong gains
 - Arts/Recreation and Federal Government saw the largest declines



Louisiana's Economy Tied for 4th-Fastest Among Southern States

Analysis



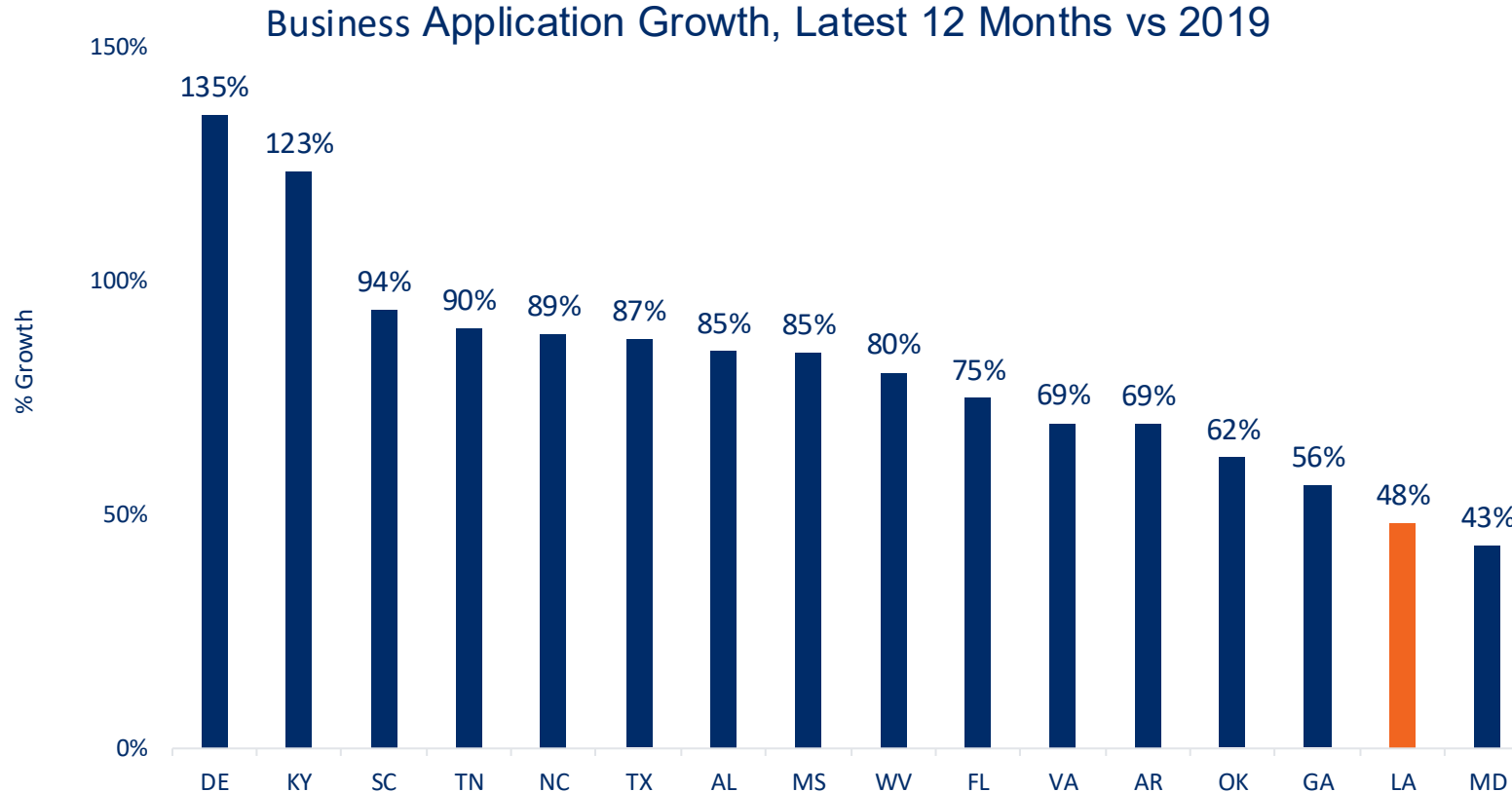
- Louisiana's real GDP grew 2.7% over the year — 4th fastest of 16 Southern states, just behind South Carolina (2.73%)
- That outpaced the Southern-state average of 2.2% and matched U.S. GDP growth of about 2.7%

Source: Bureau of Economic Analysis, Real GDP by State (quarterly, all industries); Q1 2025 through Q1 2026



Business Applications Grew in Louisiana, Though It Trailed South

Analysis



- New business applications in Louisiana are up 48% versus 2019
- Even so, Louisiana's growth of new business applications ranks 15th of 16 among Southern States
- Slower business formation may point to weaker organic job growth down the line

Source: U.S. Census Bureau, Business Formation Statistics (seasonally adjusted); compares the last 12 months (June 2025 - May 2026) vs 2019 average



Louisiana Saw The Largest Jump In South for State Tax Code Ranking

Analysis

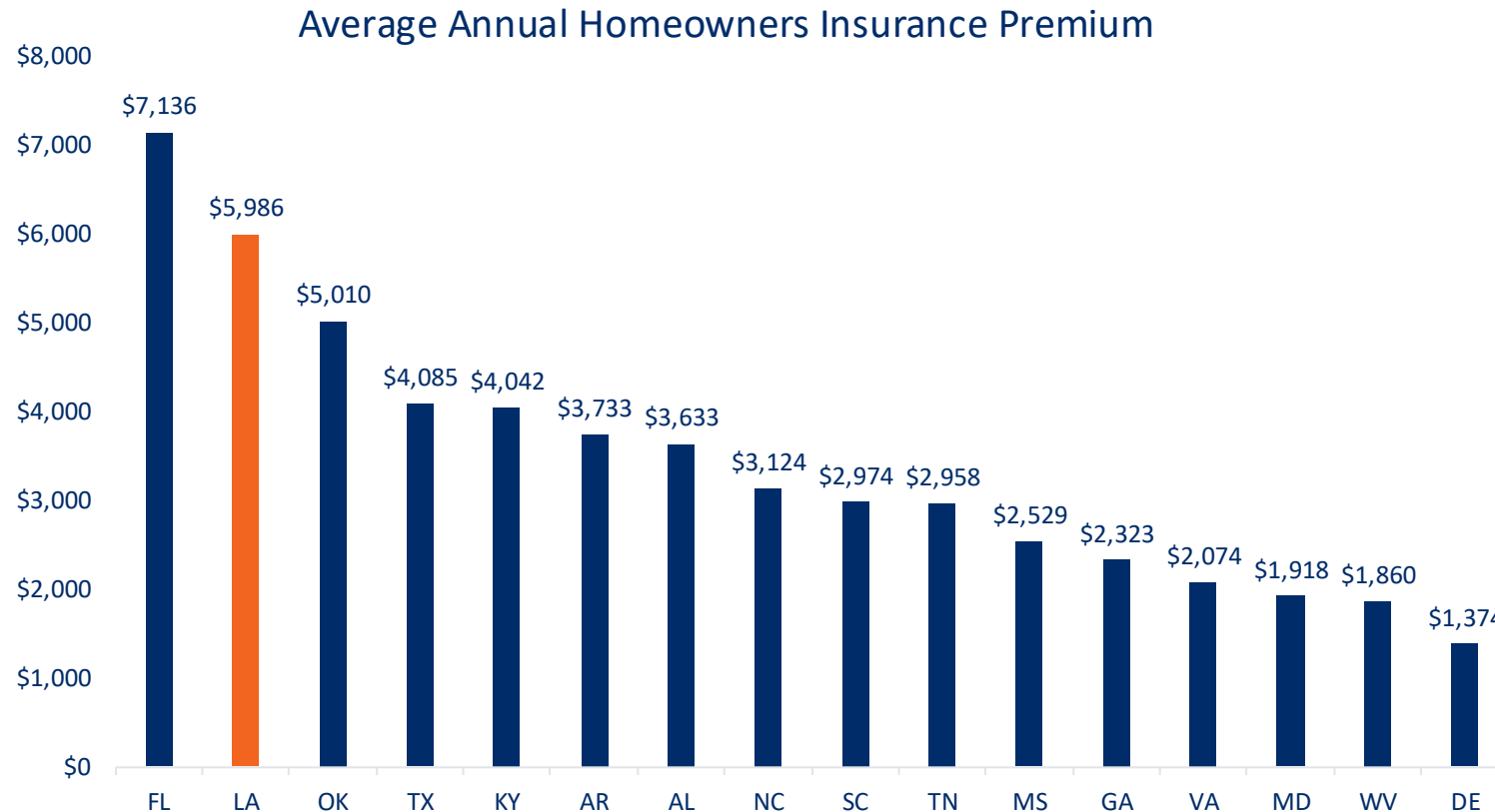
State	2025 Rank	2026 Rank	Change
Florida	4	5	-1
Texas	7	7	0
Tennessee	8	8	0
North Carolina	12	13	-1
Georgia	23	18	+5
Oklahoma	17	19	-2
Delaware	20	24	-4
Kentucky	24	25	-1
Mississippi	27	27	0
South Carolina	29	29	0
Virginia	28	30	-2
► Louisiana	37	31	+6
West Virginia	30	32	-2
Arkansas	35	34	+1
Alabama	36	37	-1
Maryland	45	46	-1

- Although it ranks 12th overall in the South, Louisiana jumped 6 spots to 31st on the Tax Foundation's Competitiveness Index
- Corporate Tax Rank went from 29th to 10th, and Individual component from 32nd to 15th
- In 2024, Louisiana set a flat 3% individual and 5.5% corporate rate and repealed the franchise tax



Louisiana Continues to See High Homeowners Insurance

Analysis



- At \$5,986/year, Louisiana has the 2nd-highest average home insurance premium of 16 Southern States
- That is roughly 2.4x the U.S. average of \$2,543, driven by hurricane and severe-weather risk

Source: Insurance.com, average annual rates for \$300,000 dwelling coverage, 2026; Louisiana Dept. of Insurance

