

# Monthly Economic Update

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**JANUARY 2022, FEATURING DECEMBER NEWS RELEASES**  
**WISCONSIN DEPARTMENT OF REVENUE**

Based in part on information and commentary supplied by Federal  
and State government statistical agencies.

# Wisconsin Updates

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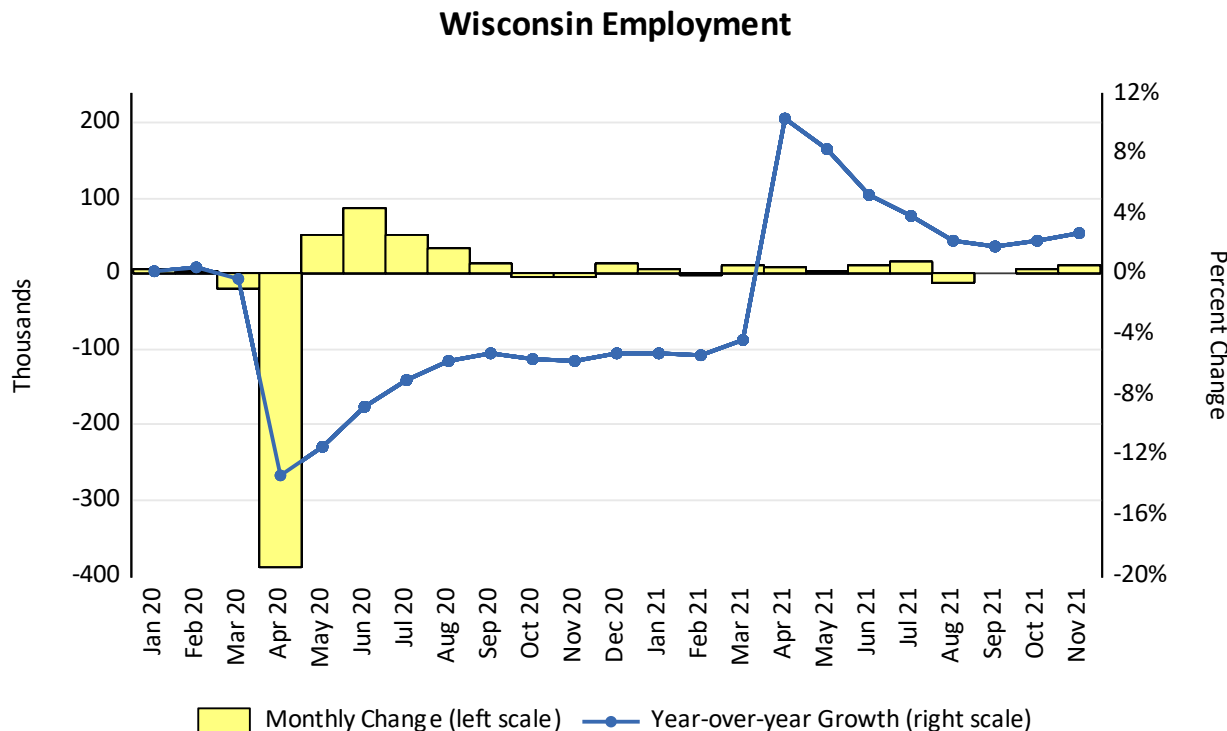
## Employment

- Industry Detail
- MSA Detail

## 2021Q3 Personal Income

# Wisconsin Adds 10,200 Jobs in November

## October employment revised up over 6,000 jobs



The employment picture in Wisconsin looks a lot better after the November report, which showed an increase of 10,200 jobs in the past month and a large upward revision to October employment levels.

Despite the strong November gains, Wisconsin employment is 104,000 (3.5%) below the February 2020 peak. U.S. employment remains 2.6% below its peak.

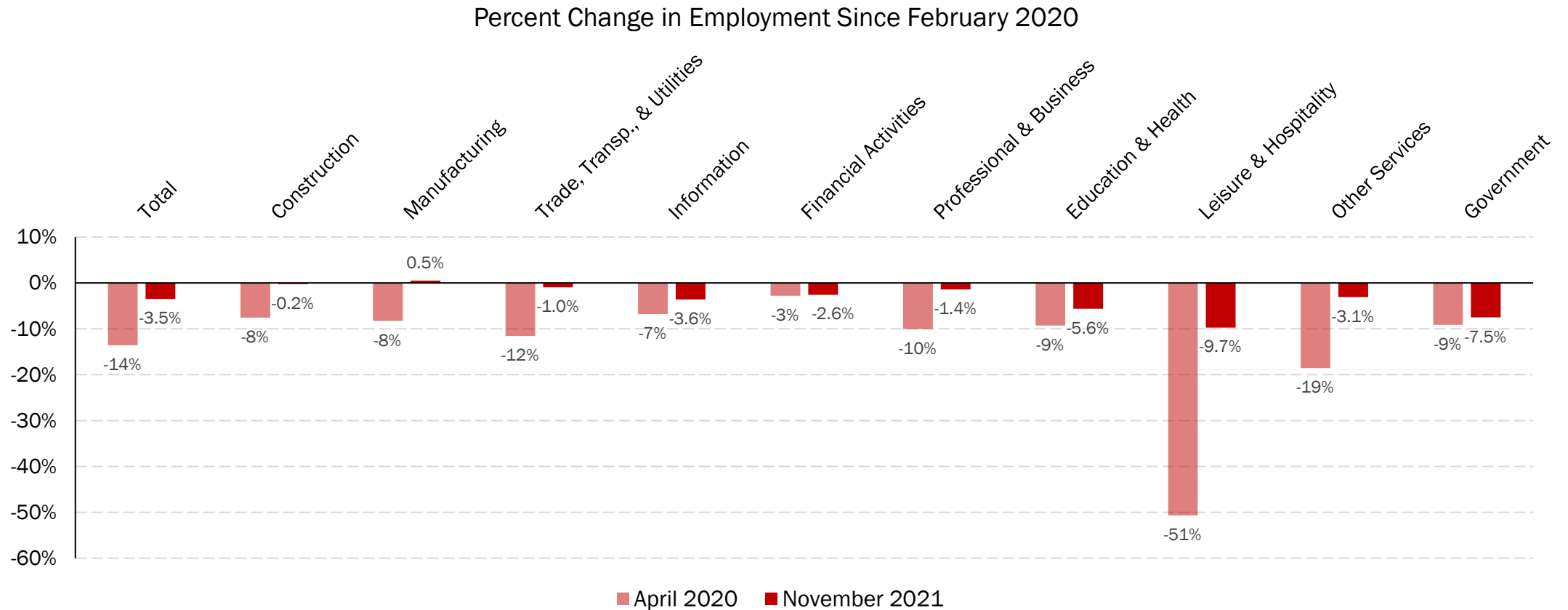
Employment in the leisure and hospitality sector increased 6,700. Despite the gains, this sector remains 9.7%, or 28,000 jobs, below its February 2020 level.

The construction sector added 2,600 jobs while manufacturing added 2,700. Transportation, warehousing, and utilities added 2,400 jobs.

The unemployment rate declined to 3.0% in November, compared to 4.2% at the national level.

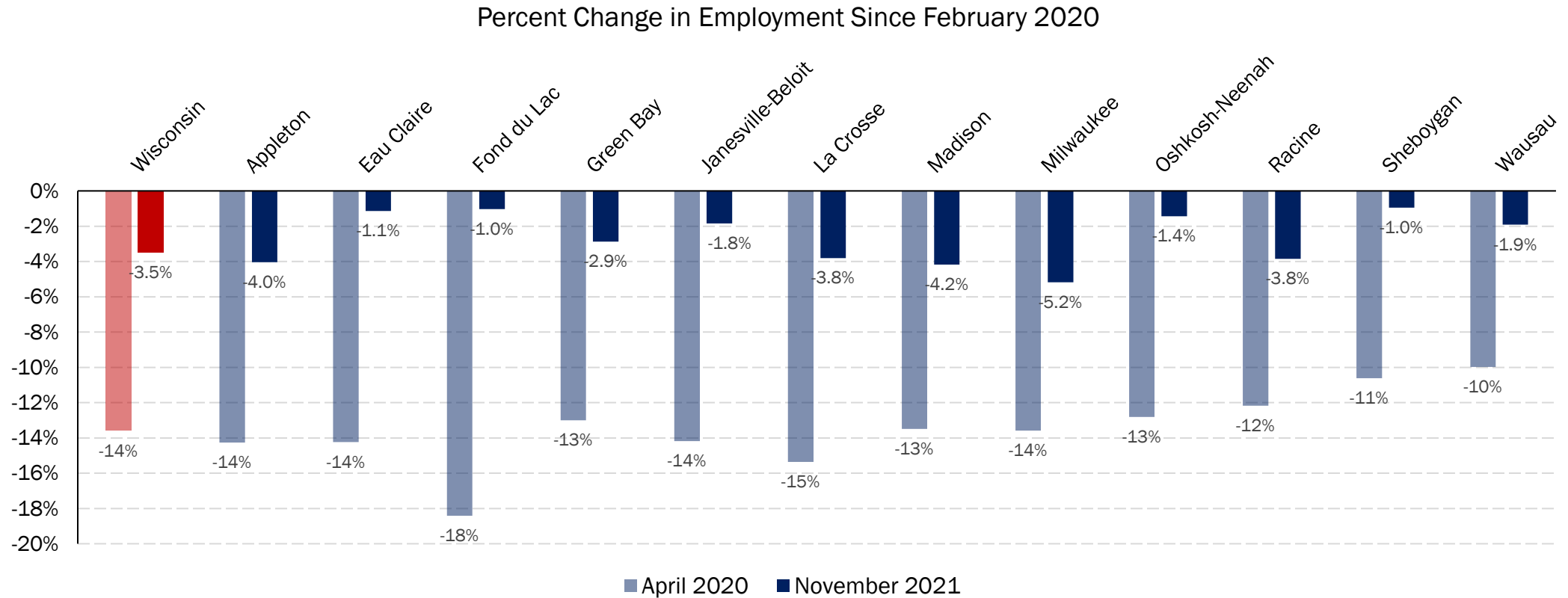
Source: US Bureau of Labor Statistics, Current Employment Statistics Program.

# Employment Detail: Recovery Continues Across Wisconsin's Industries



Source: US Bureau of Labor Statistics, Current Employment Statistics Program.

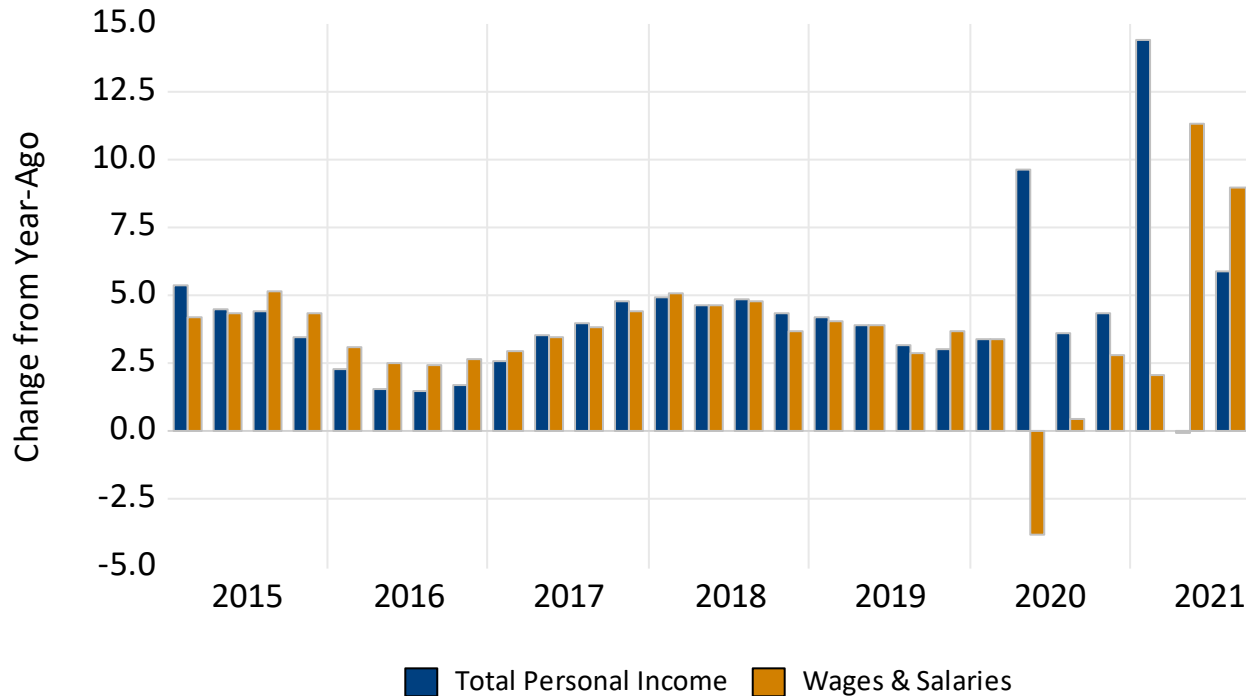
# Employment Detail: Employment Recovery Lagging in Wisconsin's Largest Metro Areas



Source: US Bureau of Labor Statistics, Current Employment Statistics Program.

# Wisconsin Personal Income up 2.7% in Third Quarter

Wisconsin Personal Income and Wages



# US Updates

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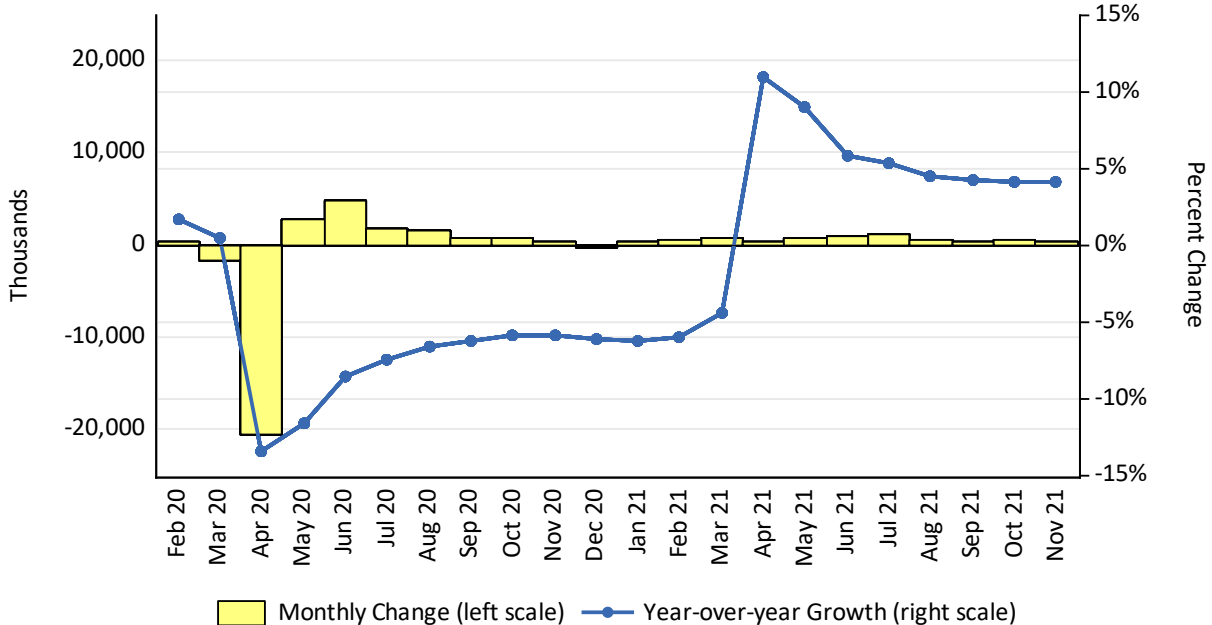
Employment

Inflation (CPI)

Consumer Sentiment

# US Adds 210,000 Jobs in November

National Employment



Source: US Bureau of Labor Statistics, Monthly Employment Report.

Nonfarm payroll employment rose 210,000 in November. September and October were revised up a combined 82,000 jobs.

The household survey reports that civilian employment surged by 1.1 million, outpacing a healthy (594,000) increase in the labor force, driving the unemployment rate down to 4.2%. The labor-force participation rate rose 0.2 percentage point to 61.8%.

Private payrolls expanded by 235,000 in November. The private workweek rose 0.1 hour to 34.8 hours.

Average hourly earnings rose 0.3% in November and are up 4.8% over the last 12 months.

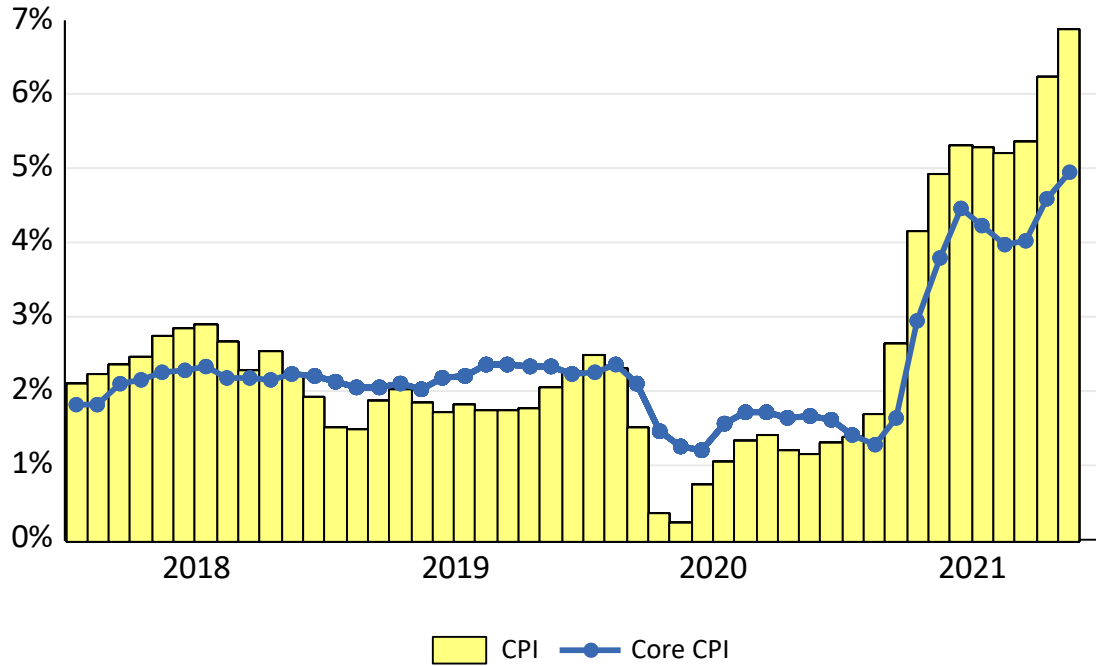
Taken together, data on private employment, hours, and hourly earnings point to a solid increase in private wages and salaries in November.

The recovery in payroll employment has come a long way, but payrolls remain 3.9 million (2.6%) below the February 2020 level, with employment in leisure and hospitality accounting for about one-third of the shortfall.



# US CPI Inflation Jumps 6.8% in November

**Consumer Price Index (CPI)**



Source: US Bureau of Labor Statistics, Consumer Price Index

The consumer price index (CPI) rose 0.8% in November following a 0.9% increase in October. The core CPI, which excludes the direct effects of moves in food and energy prices, rose 0.5% in November after a 0.6% increase in October. The CPI for food rose 0.7% and the energy CPI rose 3.5%.

The 12-month change in the overall CPI increased to 6.8%, the highest reading since June 1982, while the 12-month change in the core CPI increased to 4.9%, the highest reading since June 1991.

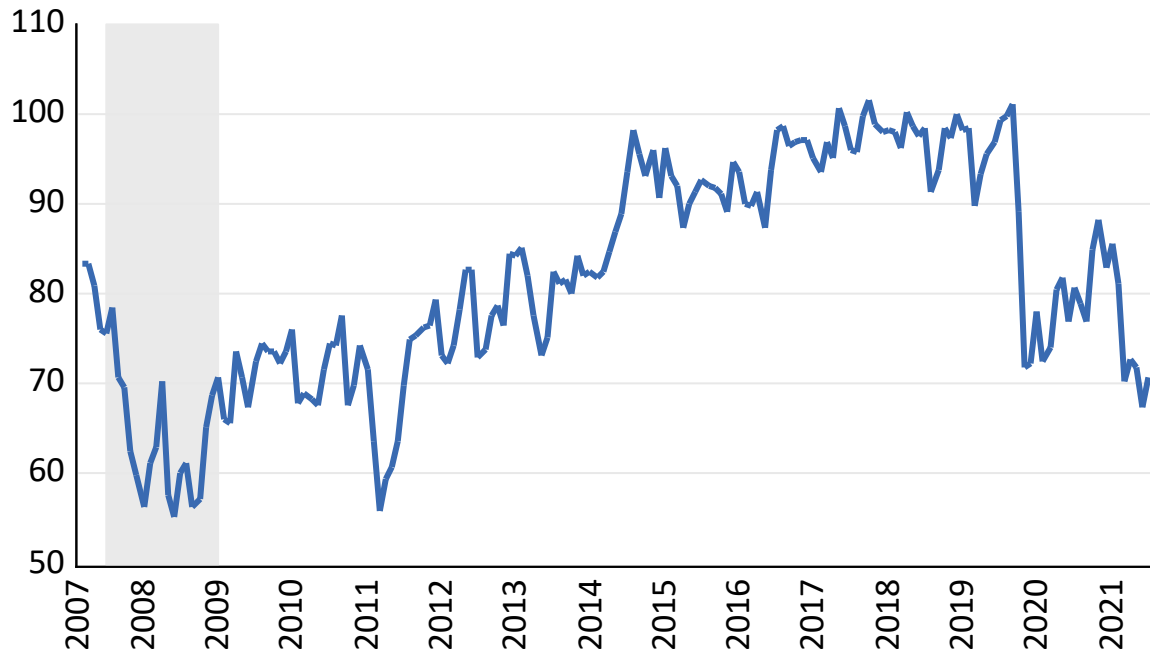
As in October, the rise in consumer prices in November was broadly based. Notable increases occurred for apparel (1.3%), airline fares (4.7%), used vehicles (2.5%), new vehicles (1.1%), and shelter (0.5%).

The price of new vehicles rose for the eighth consecutive month and is up 11.3% since March. Used-car prices rose in November and are up 34.3% since March.

Rent inflation rose robustly for a third consecutive month. Owners' equivalent rent (OER) and rent of primary residence (RPR) both rose 0.4% in November. At 3.5% for OER and 3.0% for RPR, annual (12-month) rent inflation readings in November were close to average historical readings but have moved up briskly from earlier this year.

# Consumer Sentiment Inched Higher in December

**Consumer Sentiment - Michigan Survey**



Source: University of Michigan, Surveys of Consumers

The University of Michigan Consumer Sentiment Index rose 3.2 points from its November level to 70.6 in the final December reading. The present situation index rose 0.6 point to 74.2 and the expectations index jumped 4.8 points to 68.3.

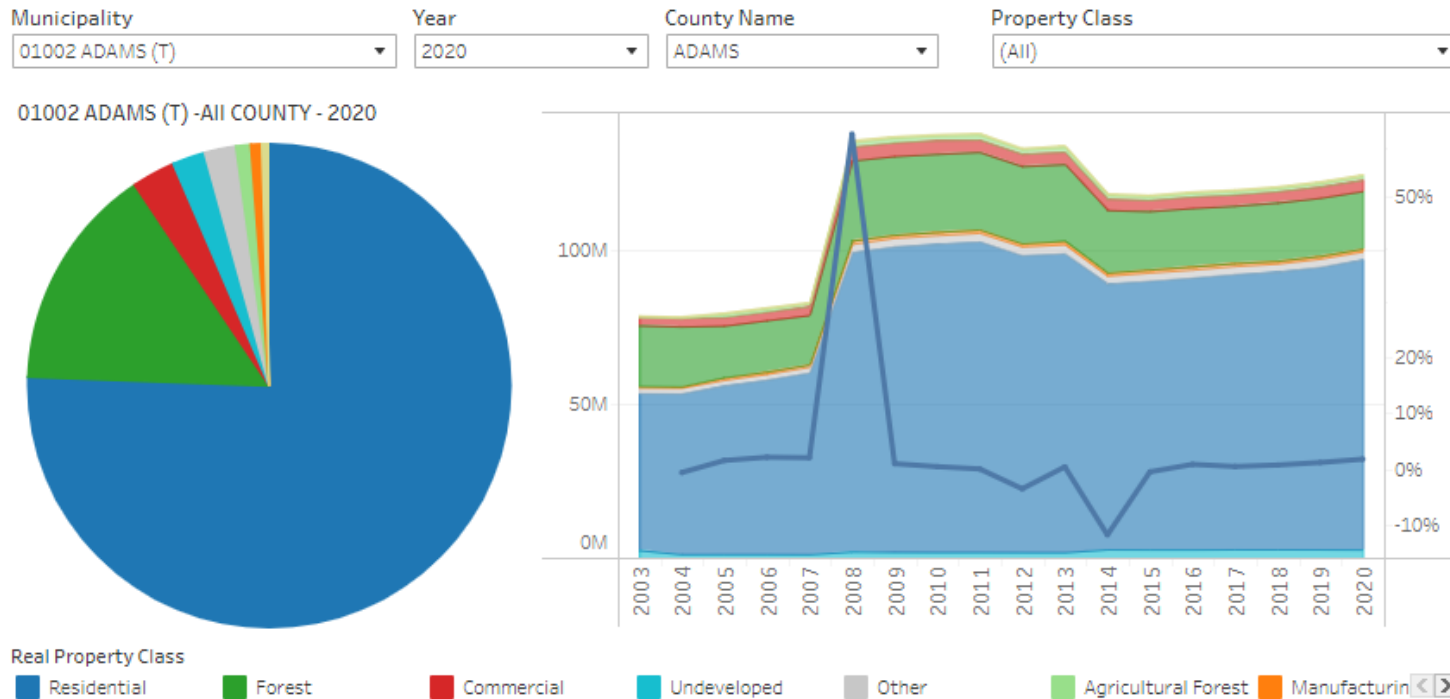
The increase in consumer sentiment in December was driven by significant gains among households with incomes in the bottom half of the distribution. While the index of sentiment for households earning over \$100,000 per year declined 2.1 points, that for households earning below \$100,000 per year jumped 7.5 points. The uptick in sentiment among the bottom half was the result of an expectation of a substantial increase in income in the year ahead.

Elevated inflation remains the foremost drag on sentiment. The median expected one-year inflation rate in the University of Michigan survey edged down from 4.9%—its highest level since 2008—to 4.8%.

The indexes of buying conditions for large household durable goods, automobiles, and homes improved in December but continue to be held back by high prices and limited inventories.

Despite an improvement in sentiment this month, consumer sentiment remains low and underscores the downside risks related to a prolonged period of above-trend inflation. The emergence of the Omicron variant is another downside risk.

# Explore Our Interactive Data!



DOR's Division of Research and Policy had a data visualization featuring Assessed Property Values.

To the left is one view of the data. More detail can be found at [DOR Assessed Property Values \(wi.gov\)](https://www.wisconsin.gov/dor/assessed-property-values).

You can check out our other visualizations on a range of Wisconsin tax and economic data at [DOR Interactive Data Visualizations \(wi.gov\)](https://www.wisconsin.gov/dor/interactive-data-visualizations).

Questions: [doreconomists@wisconsin.gov](mailto:doreconomists@wisconsin.gov)

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