

# Monthly Economic Update

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**SEPTEMBER 2022, FEATURING AUGUST 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

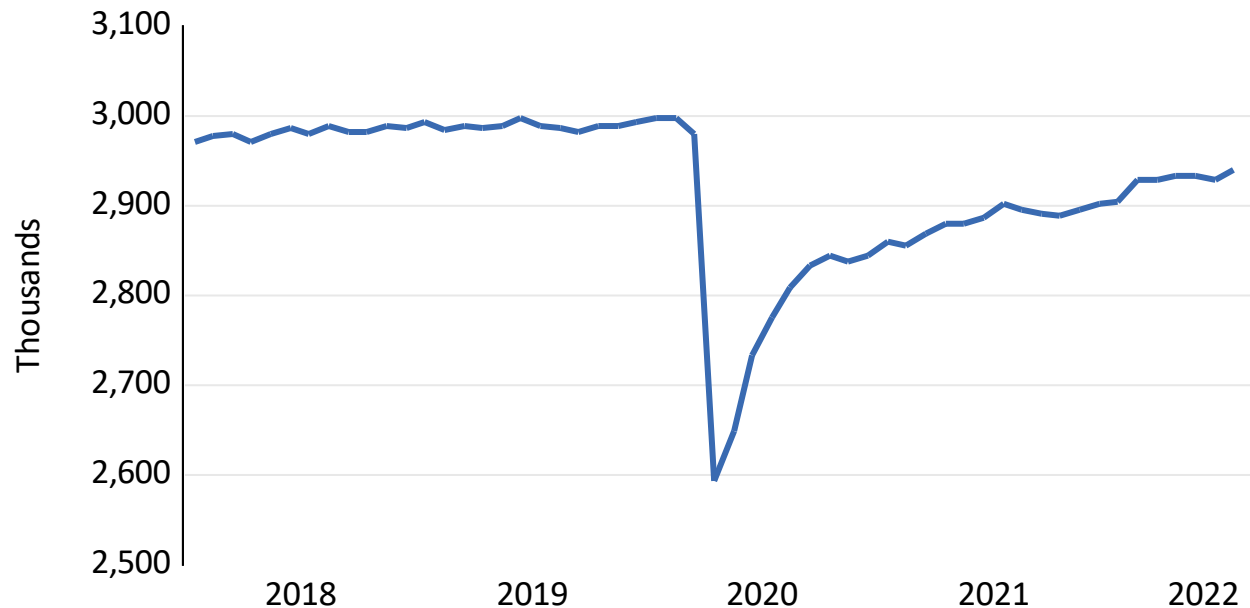
- By Sector

Housing Permits

Exports

# Wisconsin Added 9,900 Jobs in July

Wisconsin Employment



Source: US Bureau of Labor Statistics, Current Employment Statistics

Wisconsin added 9,900 jobs in July. Private employment increased by 10,000 while government employment declined by 100.

Employment gains were not wide-spread; rather, they were concentrated in a handful of industries.

Employment in the goods-producing sector increased by 3,200, mostly in construction (+2,900 jobs).

The service-providing sector added 6,700 jobs, 5,100 of which were in accommodation and food service industries.

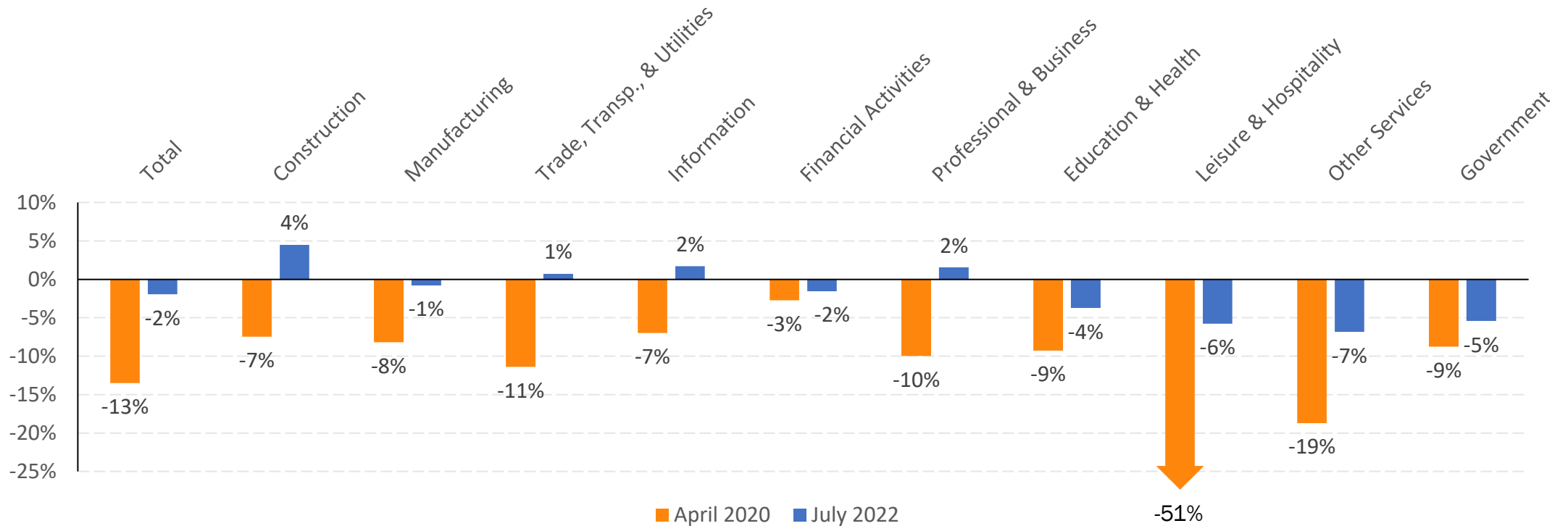
Meanwhile three industries lost jobs (trade, transportation, and warehousing; finance; and insurance) and one was flat (other services).

The unemployment rate rose slightly to 3.0%, and the labor force participation rate declined 0.2 percentage points to 66.2%.

Wisconsin employment in July was 58,000 (or 1.9%) below its pre-pandemic level of February 2020.

# Four Sectors in Wisconsin are Above Their Pre-pandemic Employment Level

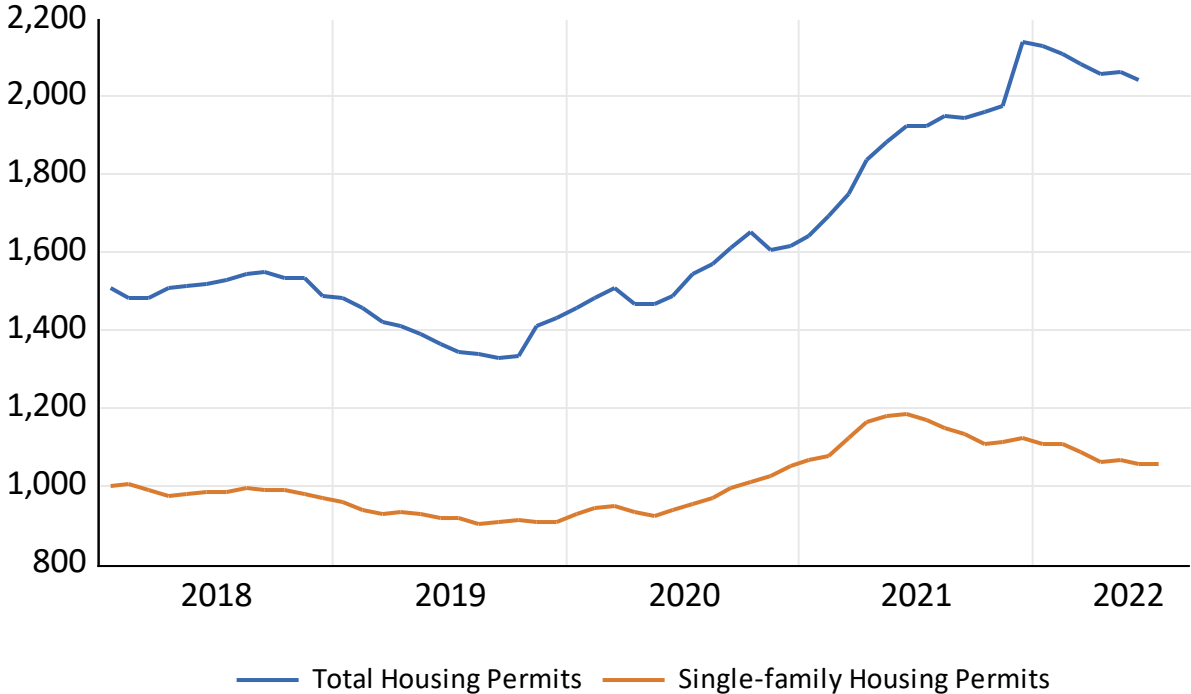
Percent Change in Wisconsin Employment Since February 2020



Source: US Bureau of Labor Statistics, Current Employment Statistics

# Housing Permits Slowed in Wisconsin

Wisconsin Housing Permits  
12-Month Moving Average



Source: US Census Bureau

Wisconsin Housing Permits peaked in the fourth quarter of 2021 with a spike in multi-family permits.

Single-family permits peaked in mid-2021.

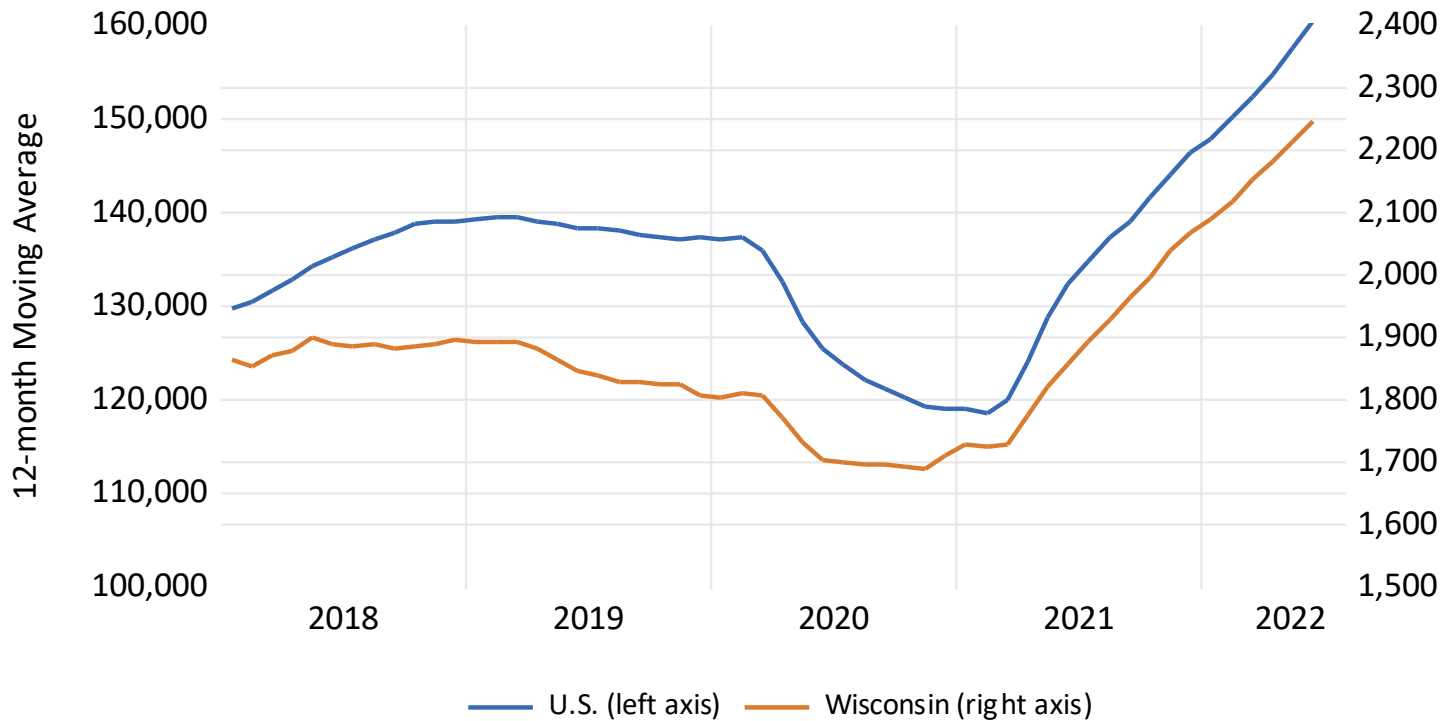
During the first seven months of 2022, total housing permits are down 11.5% while single-family permits have declined 9.8%, compared to the same period last year.

Single family permits are also down nationally, having declined 4.5% during the first seven months of 2022. Total housing permits are above last years' levels nationally.

According to the Wisconsin Realtors' Association, the combination of rising home prices and higher mortgage rates have caused affordability to decline 31.4% in the past twelve months, putting a damper on overall activity in the housing market.

# Exports Continue to Grow

Exports of Goods (Millions of Dollars)



After weak growth in 2018, declines in 2019, and an outright collapse in 2020, goods exports from the US and Wisconsin have showed continued growth since the second quarter of 2021.

Through the first six months of 2022, goods exports increased 20.2% in the US and 18.5% in Wisconsin, when compared to the same period in the prior year.

These growth rates are down slightly from the prior six months, when exports in the second half of 2021 increased 22.6% over the prior year in the US and 23.6% in Wisconsin.

It is important to note that export values are in nominal, not real (inflation-adjusted), terms.

Detail on the type of export and the export destination will be available later.

Source: US Census Bureau

# U.S. Updates

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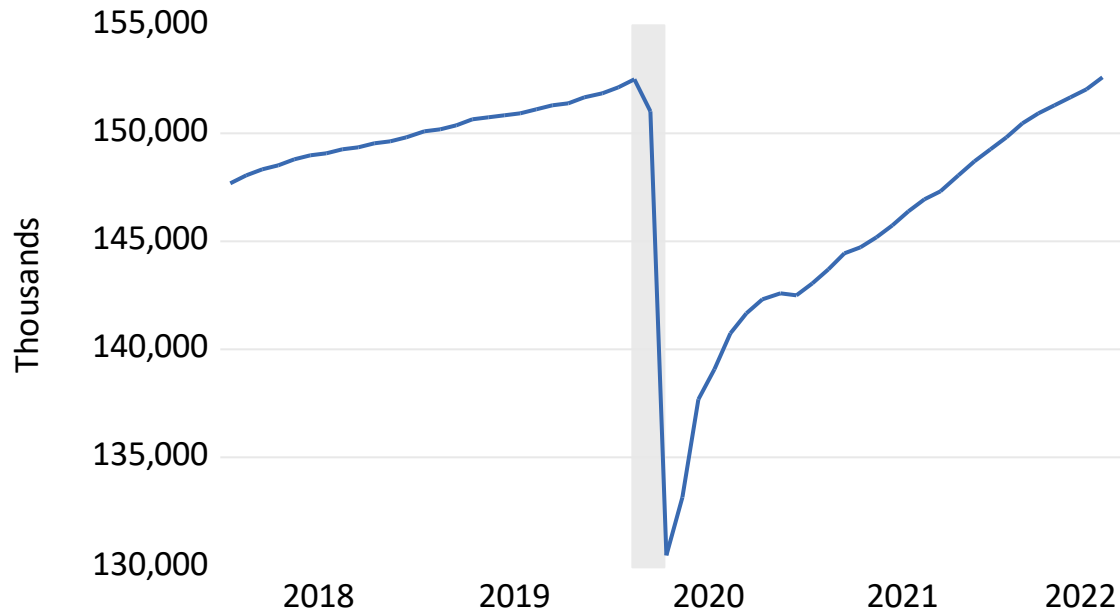
Employment

Inflation (CPI)

Consumer Sentiment

# U.S. Added 528,000 New Jobs in July

U.S. Total Nonfarm Employment



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

Total nonfarm payroll employment rose by 528,000 in July, well above expectations. The unemployment rate edged down to 3.5%.

The labor force participation rate, at 62.1%, and the employment-population ratio, at 60.0%, were little changed over the month. Both measures remain below their February 2020 values (63.4% and 61.2%, respectively).

Total nonfarm employment has increased by 22 million since reaching a low in April 2020 and has returned to its pre-pandemic level. Private-sector employment is 629,000 higher than in February 2020, although several sectors have yet to recover. Government employment is 597,000 lower than its pre-pandemic level.

In July, leisure and hospitality added 96,000 jobs, as growth continued in food services and drinking places (+74,000). However, employment in leisure and hospitality is below its February 2020 level by 1.2 million, or 7.1%.

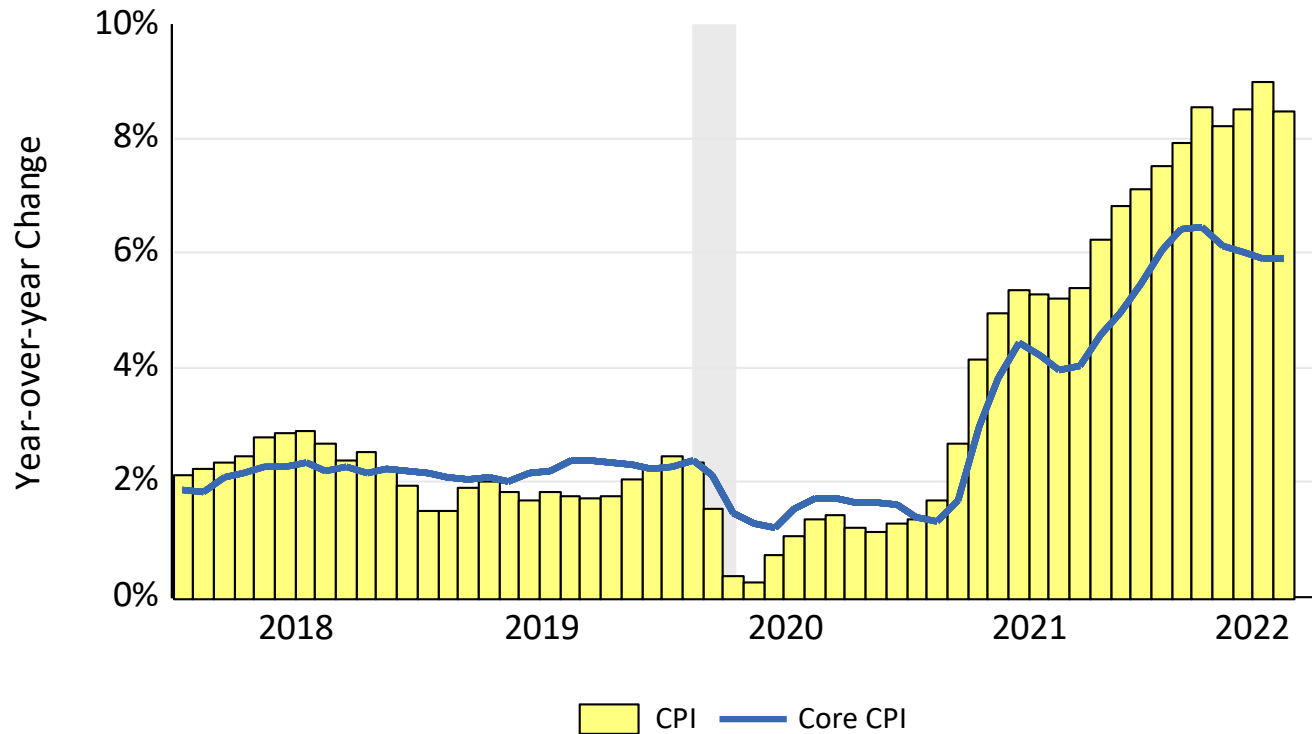
Employment in professional and business services continued to grow, with an increase of 89,000 in July. Employment in professional and business services is 986,000 higher than in February 2020.

Employment in health care rose by 70,000 in July. Employment in health care overall is below its February 2020 level by 78,000, or 0.5%.



# Consumer Prices Unchanged in July

**Consumer Price Index (CPI)**



The Consumer Price Index for All Urban Consumers (CPI-U) was unchanged in July after rising 1.3% in June. Over the last 12 months, the all-items index increased 8.5%, down from a 9.1% increase in the prior month. Core prices rose 0.3% in July and were up 5.9% compared to last year.

The gasoline index fell 7.7% in July and offset increases in other indexes. The food index continued to rise, increasing 1.1% over the month as the food at home index rose 1.3%.

The indexes for shelter, medical care, motor vehicle insurance, household furnishings and operations, new vehicles, and recreation were among those that increased over the month.

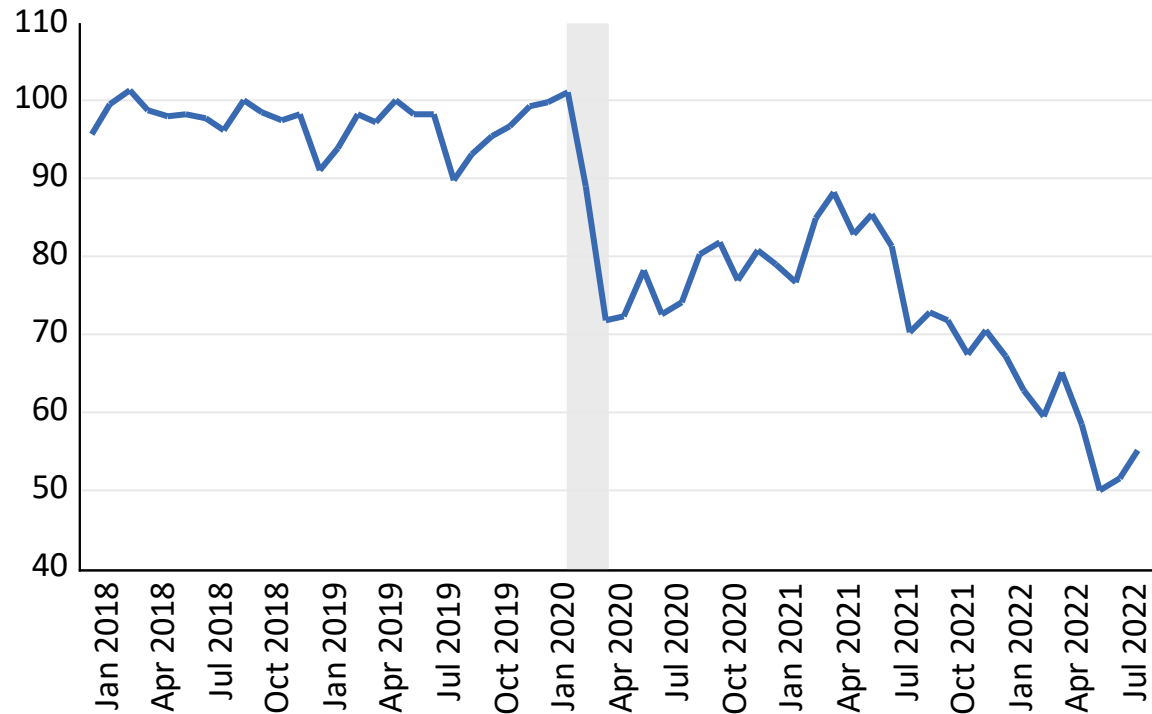
There were some indexes that declined in July, including those for airline fares, used cars and trucks, communication, and apparel.

The food index increased 10.9% over the last year, the largest 12-month increase since the period ending May 1979.

Source: US Bureau of Labor Statistics, Consumer Price Index

# Consumer Sentiment Rose Again in August

Consumer Sentiment - Michigan Survey



The University of Michigan Consumer Sentiment Index increased for the second straight month, from a low of 50.0 in June to 55.1 in the final August reading.

The gains in sentiment were seen across age, education, income, region, and political affiliation, and can be attributed to the recent deceleration in inflation. Lower-income consumers, who have fewer resources to buffer against inflation, posted particularly large gains on all index components.

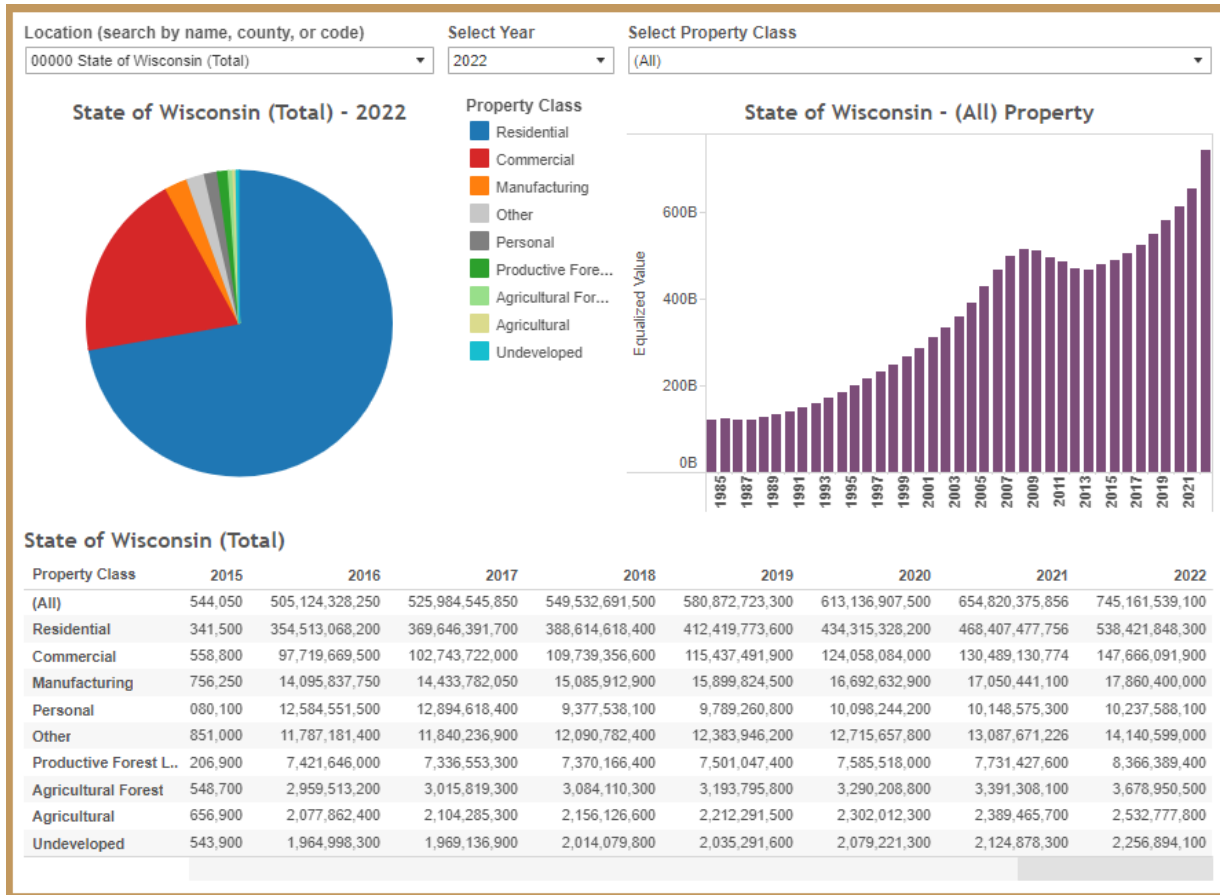
The Index of Current Economic Conditions increased, from 58.8 in July to 58.6 in August. The June reading was 53.8.

The Index of Consumer Expectations also increased, up from 47.3 in July to 58.0 in August.

There is no doubt that the consumer is feeling relief from high gas prices, which peaked at \$5.02/gallon on June 14.

Source: [University of Michigan, Surveys of Consumers](#)

# Explore Our Interactive Data!



DOR's Division of Research and Policy has a data visualization on equalized values, which was recently updated with 2022 data.

To the left is one view of the data. More detail can be found at the [Equalized Value Data Visualization Tool \(wi.gov\)](#).

You can check out our other visualizations on a range of Wisconsin tax and economic data at [DorViz.wi.gov](#).

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

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