

Monthly Economic Update

MARCH 2024, FEATURING FEBRUARY NEWS RELEASES
WISCONSIN DEPARTMENT OF REVENUE

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

Wisconsin Updates

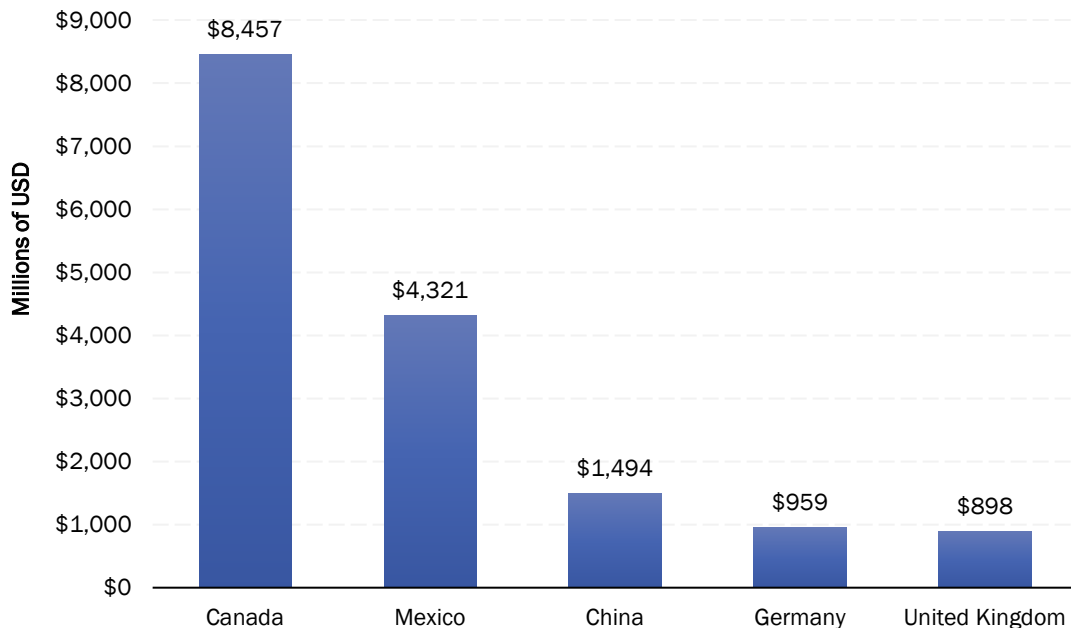
County Employment Change – 2023Q3

Exports – 2023 Totals

Housing Permits

Exports of Goods From Wisconsin Increased 2.1% in 2023

Wisconsin's Goods Exports, 2023
Top Five Trading Partners



Source: U.S. Department of Commerce, International Trade Administration

Wisconsin's goods exports increased 2.1% in 2023 to \$28.0 billion. U.S. goods exports declined 2.2%. Wisconsin exported 1.4% of total U.S. goods exports in 2023.

Exports to Canada, Wisconsin's largest trading partner at 30.2% of the total, decreased 2.1%. Exports of machinery to Canada fell 2.1% and exports of processed foods fell 9.6%. Transportation equipment exports to Canada grew 11.5% in 2023.

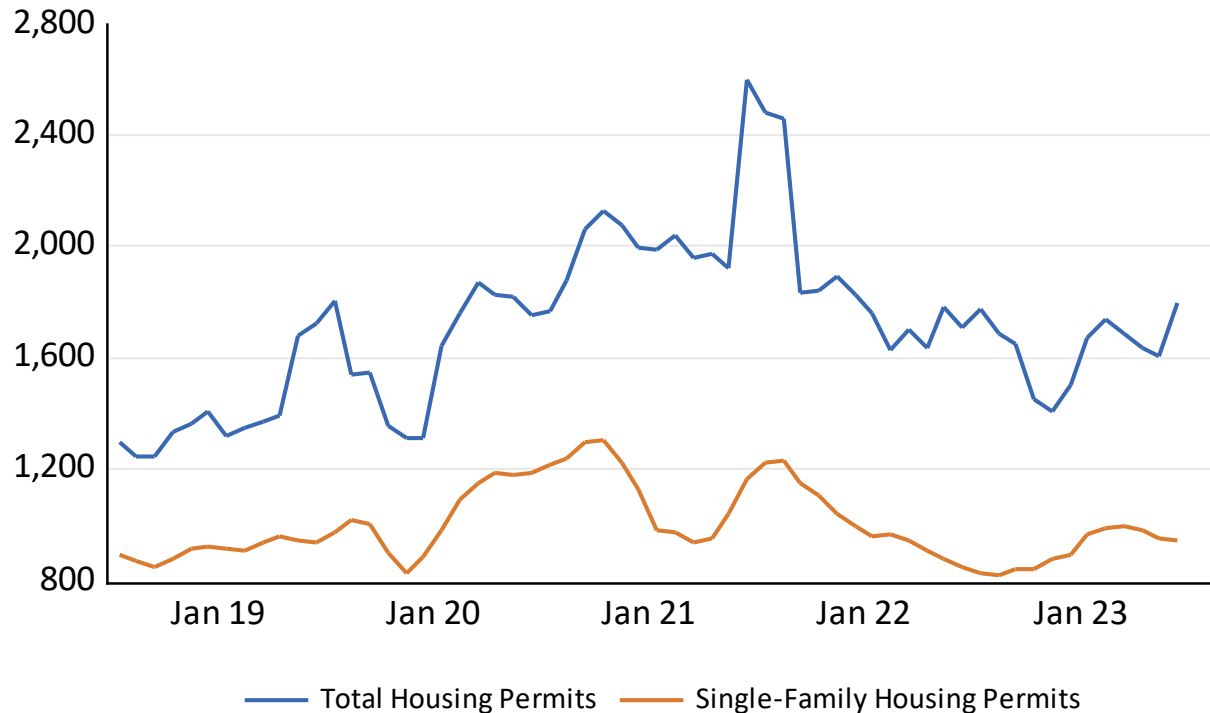
Exports to Mexico (15.4% of total WI exports) increased 19.6%, with a 29.6% increase in machinery exports and a 3.6% increase in transportation equipment. Exports to China, Wisconsin's third-largest trading partner (5.3% of total exports), decreased 17.3%, including a 26.8% decline in machinery.

Wisconsin's total exports of machinery, the state's largest category of exports, increased 2.8% to \$6.1 billion in 2023. Exports of computer & electronic products increased 17.5% to \$3.8 billion while transportation equipment increased 19.3% to \$3.3 billion. Chemical exports decline 24.1%.

More detail can be seen on our [Export Data Visualization](#).

Housing Permits Fell in 2023 But Turned Around Mid-year

Wisconsin Housing Permits, 3-month Moving Average



Source: U.S. Census Bureau, Building Permits Survey

Wisconsin's total housing permits decreased 6.2% in 2023, after a decline of 18.0% in 2022. Single family permits declined 6.7% in 2023.

Permits spiked in 2021 as the economy emerged from the pandemic. Total housing permits in 2023 were higher than their 2019 and 2020 levels, although single family permits were below the 2019 levels.

Despite being down over the prior year, permits are no longer heading lower. Total housing permits were down 10.2% year-over-year (y/y) in the first quarter but were up 5.4% in the fourth quarter. Single family permits turned up, also; they were down 27.0% y/y in the first quarter but up 11.4% in the fourth quarter.

Nationally, housing permits have also turned around, and after declining early in the year are now showing increases over the prior year. Growth in single-family permits are increasing faster than multi-family units.

U.S. Updates

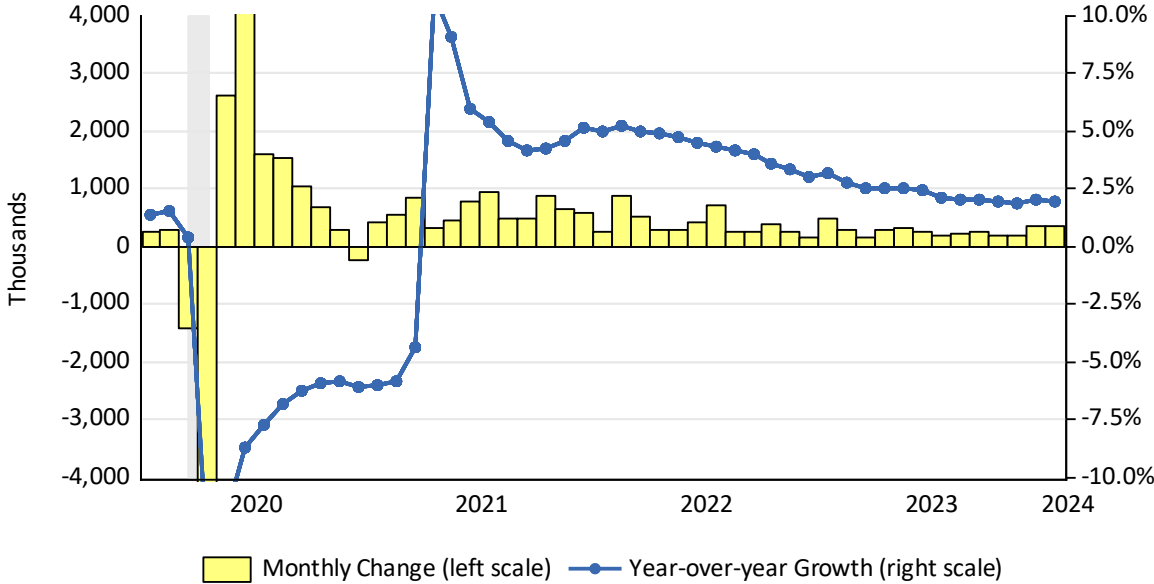
Employment

Inflation (CPI)

Mortgage Rates

U.S. Adds 353,000 Jobs in January

National Employment



Total nonfarm payroll employment rose by 353,000 in January, similar to the gain of 333,000 in December.

Professional and business services added 74,000 jobs in January, while employment in health care rose by 70,000.

Retail trade employment increased by 45,000 in January but has shown little net growth since early 2023. Employment in social assistance rose by 30,000 in January, reflecting continued growth in individual and family services (+22,000).

Over the past 12 months, average hourly earnings have increased by 4.5%. The average workweek for all employees on private nonfarm payrolls decreased by 0.2 hour to 34.1 hours in January and is down by 0.5 hour over the year.

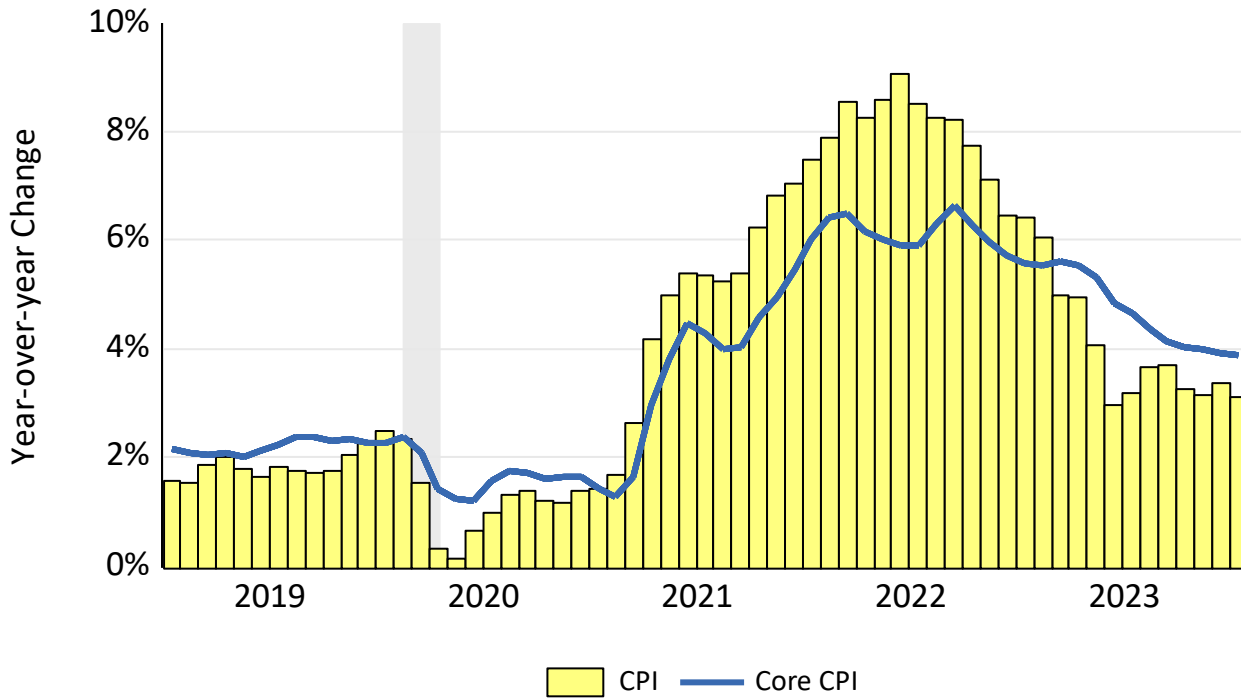
In January, the unemployment rate was 3.7% for the third month in a row, and the number of unemployed people was little changed at 6.1 million.

The labor force participation rate, at 62.5%, was unchanged in January, and the employment-population ratio, at 60.2%, was little changed. These measures showed little or no change over the year.

Source: U.S. Bureau of Labor Statistics, Monthly Employment Report

Consumer Prices Increased 3.1% Over Last Year's Levels

Consumer Price Index (CPI)



Source: U.S. Bureau of Labor Statistics, Consumer Price Index

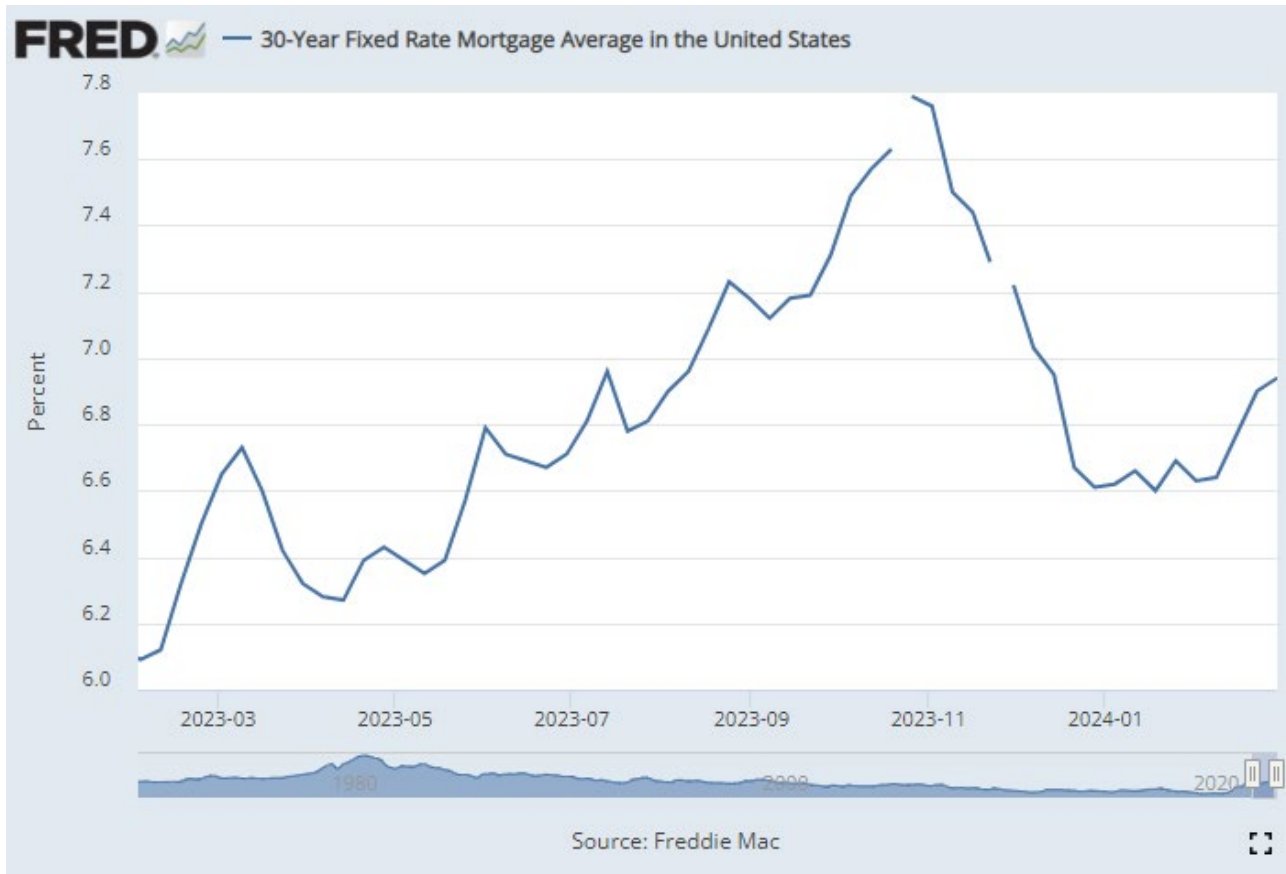
The Consumer Price Index for All Urban Consumers (CPIU) increased 0.3% in January on a seasonally adjusted basis, after rising 0.2% in December.

The index for shelter continued to rise in January, increasing 0.6% and contributing over two thirds of the monthly all items increase. The food index increased 0.4% in January, as the food at home index increased 0.4% and the food away from home index rose 0.5% over the month. The energy index fell 0.9% over the month due in large part to the decline in the gasoline index.

The index for all items less food and energy rose 0.4% in January. Indexes which increased in January include shelter, motor vehicle insurance, and medical care. The index for used cars and trucks and the index for apparel were among those that decreased over the month.

The all items index rose 3.1% for the 12 months ending January, a smaller increase than the 3.4% increase for the 12 months ending December. The all items less food and energy index rose 3.9% over the last 12 months, the same increase as for the 12 months ending December. The energy index decreased 4.6% for the 12 months ending January, while the food index increased 2.6% over the last year.

Mortgage Rates Inch Higher



Mortgage rates have moved higher in the past two weeks, averaging 6.94% on February 29th.

This is down quite a bit from the highs reached last fall of nearly 7.8%, but higher than the 6.6% reached mid-January 2024.

With mortgage rates lower than last fall, home affordability has improved. The Atlanta Fed's Home Ownership Affordability Monitor Index has increased from 66.3 in October to 72.8 in December.

Get in Touch

Check out our **data visualizations** at DorViz.wi.gov.

Anything you'd like to see that we haven't covered? **Let us know!**
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