

Monthly Economic Update

OCTOBER 2024, FEATURING SEPTEMBER NEWS RELEASES
WISCONSIN DEPARTMENT OF REVENUE

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

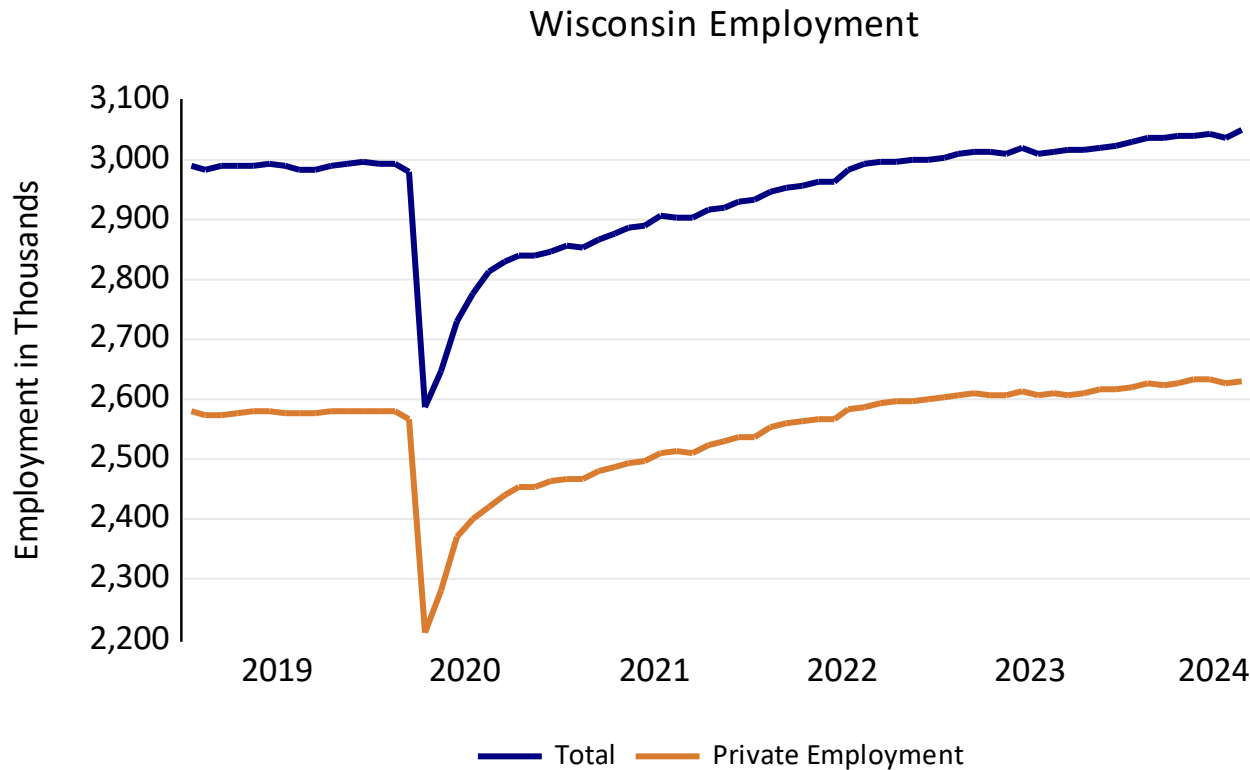
Wisconsin Updates

Employment

- Sectors
- MSA Employment

Wisconsin Personal Income (2024Q2)

Wisconsin Employment Increased by 11,600 in August



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

Wisconsin added 11,600 jobs in August, after losing 5,900 in July. Together the two months show a change of +5,700, and employment in August was 19,600 above January's level. Private employment has not fared as well, falling by 4,300 in the last two months and in August was 8,400 above January's level.

Employment has increased 1.2% over the past year, an increase of 35,300 jobs. This compares to an employment increase of 1.5% at the national level.

Private employment in August increased by 3,600, while government increased by 8,000, 7,900 of which is in state government alone. This increase is overstated and likely reflects the calendar effect stemming from UW contracts.

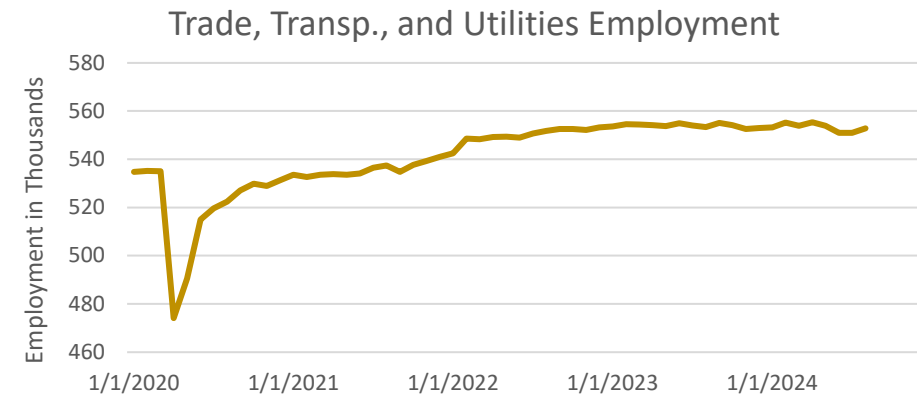
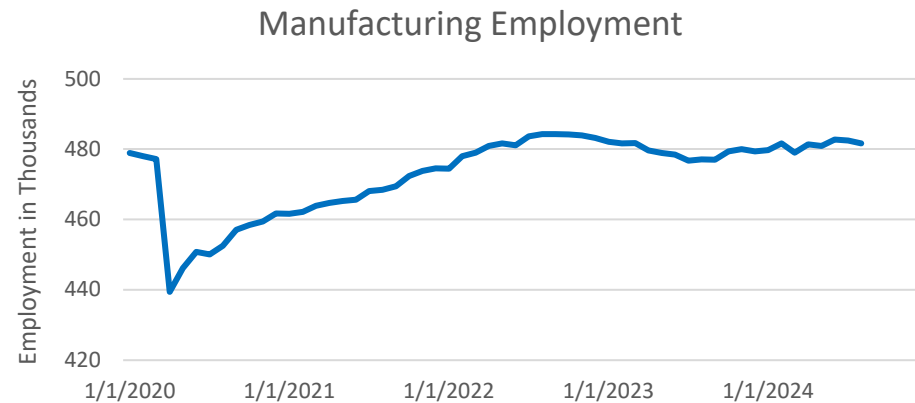
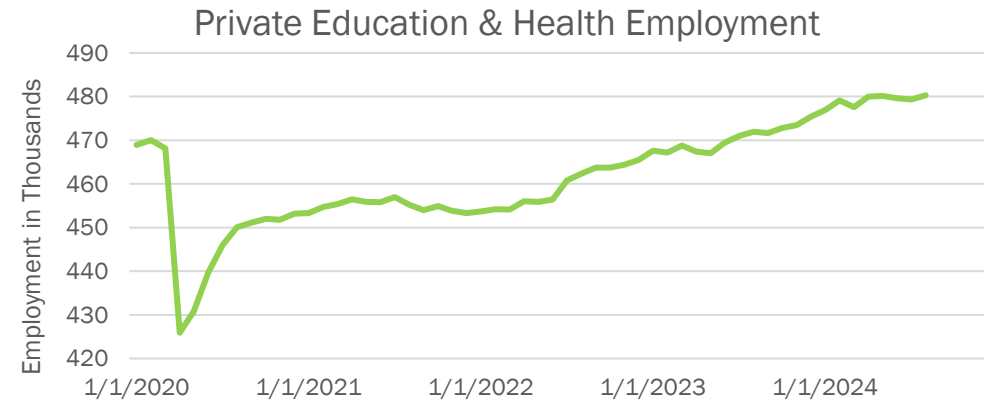
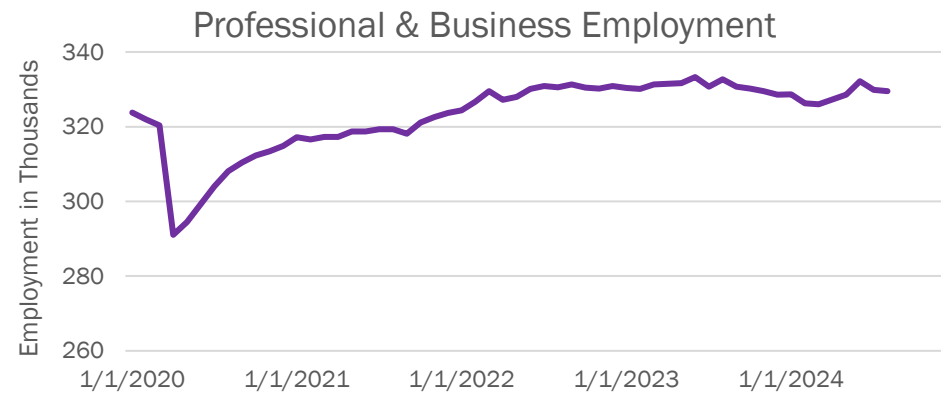
At the sector level, the largest job increases were seen in construction (+2,300), trade, transportation, and utilities (+1,900) and private education and health (+1,000).

Sectors that lost jobs include manufacturing (-800), 'other' services (-500) and professional and business services (-400).

The unemployment rate declined to 2.9% from 3.0%, compared to 4.2% at the national level.

The Wisconsin labor force participation rate remained steady at 65.5% in August, above the national rate of 62.7%.

Wisconsin Employment Sectors



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

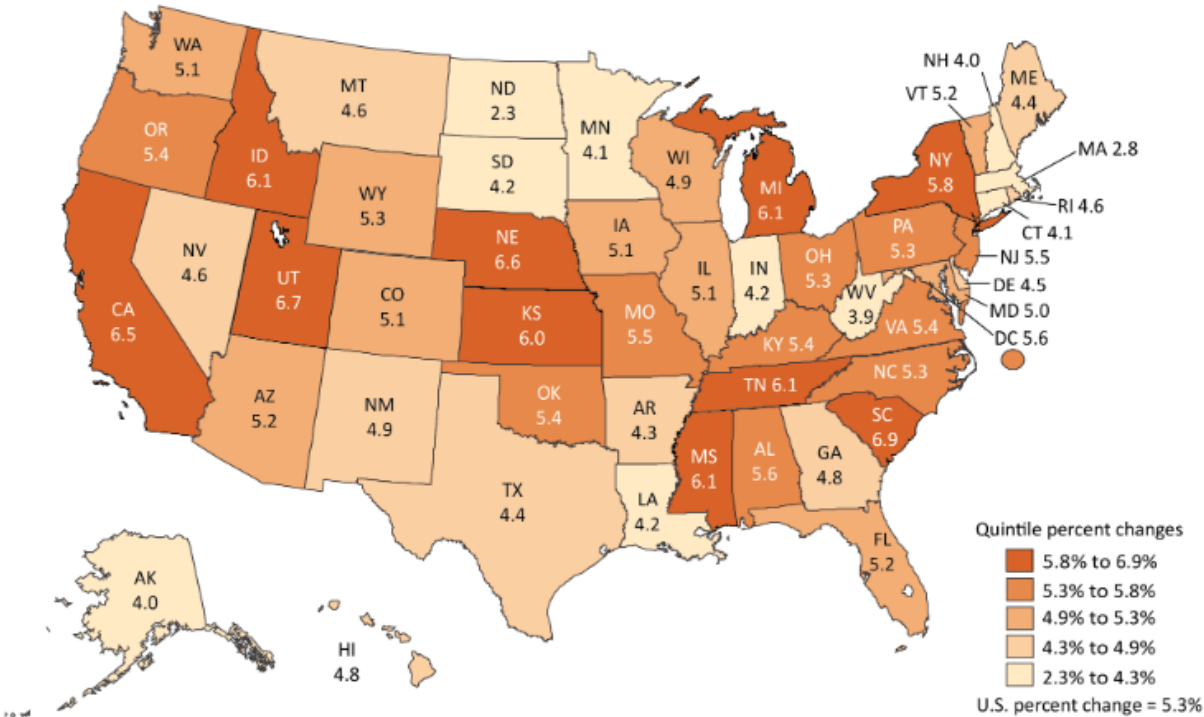
Mixed Picture of Employment Growth in Wisconsin's MSAs

Total Nonfarm Employment in Thousands	Aug 2023	Jul 2024	Aug 2024	Monthly Change	Annual Change	Annual % Change
Wisconsin	3,012.0	3,035.7	3,047.3	11.6	35.3	1.2%
Appleton MSA	128.6	129.2	129.5	0.3	0.9	0.7%
Eau Claire MSA	88.8	90.3	90.3	0	1.5	1.7%
Fond du Lac MSA	47.7	48.5	48.4	-0.1	0.7	1.5%
Green Bay MSA	178.6	180	180.1	0.1	1.5	0.8%
Janesville-Beloit MSA	71.9	72.3	71.9	-0.4	0	0.0%
La Crosse MSA	78.6	79.9	79.7	-0.2	1.1	1.4%
Madison MSA	423.5	427.2	429.5	2.3	6	1.4%
Milwaukee-Waukesha MSA	861.2	854.6	855.2	0.6	-6	-0.7%
Oshkosh-Neenah MSA	96.7	97.5	97.4	-0.1	0.7	0.7%
Racine MSA	79.1	79.8	79.6	-0.2	0.5	0.6%
Sheboygan MSA	63.2	63.8	63.7	-0.1	0.5	0.8%
Wausau MSA	71.5	71.4	71.2	-0.2	-0.3	-0.4%

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

WI Personal Income Increased 4.9% in 2024Q2

Personal Income: Percent Change at Annual Rate, 2024:Q1–2024:Q2



U.S. Bureau of Economic Analysis

Wisconsin personal income increased at an annual rate of 4.9% in the second quarter of 2024, after a 7.5% increase in the first quarter.

Wages and salaries, the largest component of personal income, increased at an annual rate of 5.9% in Wisconsin.

Total personal income in the second quarter increased 5.3% in the U.S. and 5.2% in the Great Lakes region, which includes Illinois, Indiana, Michigan, Ohio, and Wisconsin. Growth in the region ranged from 6.1% in Michigan to 4.2% in Indiana.

Wisconsin's growth ranked fourth in the region and 30th in the nation.

Earnings, which include wages & salaries, contributed 4.1 percentage points to growth. Dividends, interest, and rent contributed 0.3 percentage points and transfer receipts the remaining 0.5 percentage points.

The durable goods manufacturing, farm, and healthcare & social assistance sectors were the largest contributing sectors to growth in Wisconsin.

U.S. Updates

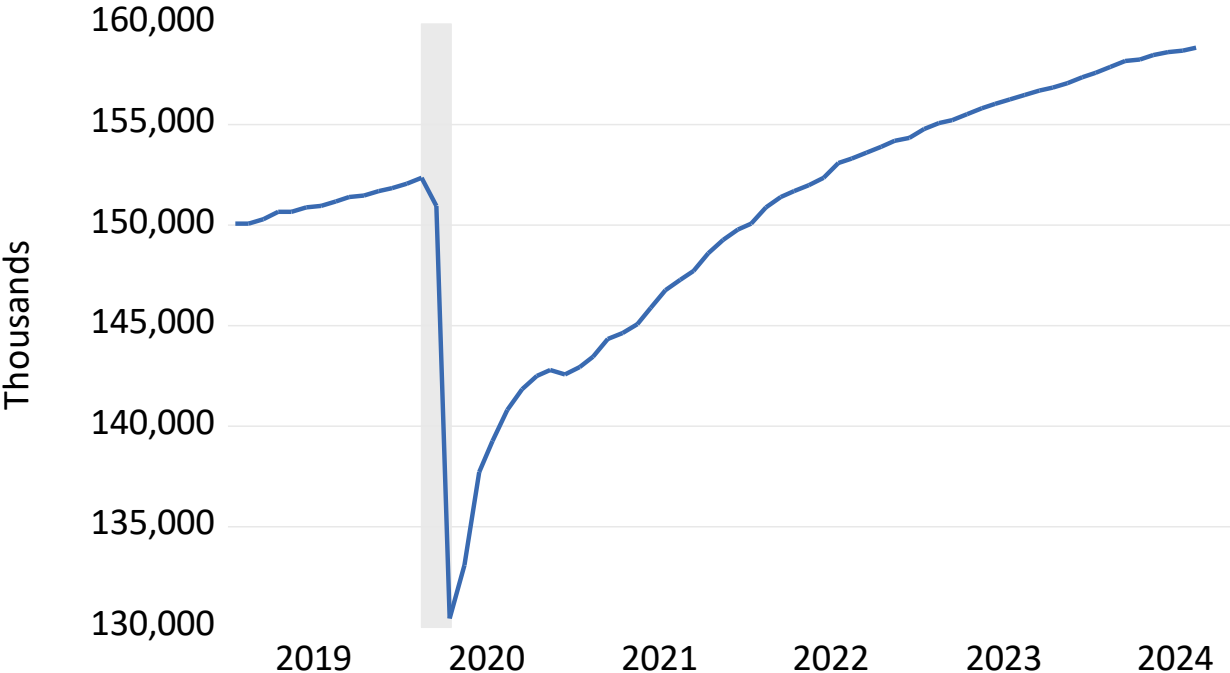
Employment

Inflation (CPI)

State Coincident Index

U.S. Added 142,000 Jobs in August

U.S. Total Nonfarm Employment



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

Total nonfarm payroll employment increased by 142,000 over the month. With these revisions, employment in June and July combined is 86,000 lower than previously reported. Compared to last year, employment is 2.4 million higher, a 1.5% increase.

Construction employment rose by 34,000 in August. Over the month, heavy and civil engineering construction added 14,000 jobs, and employment in nonresidential specialty trade contractors continued to trend up (+14,000).

Health care added 31,000 jobs in August, about half the average monthly gain of 60,000 over the prior 12 months. In August, employment rose in ambulatory health care services (+24,000) and hospitals (+10,000).

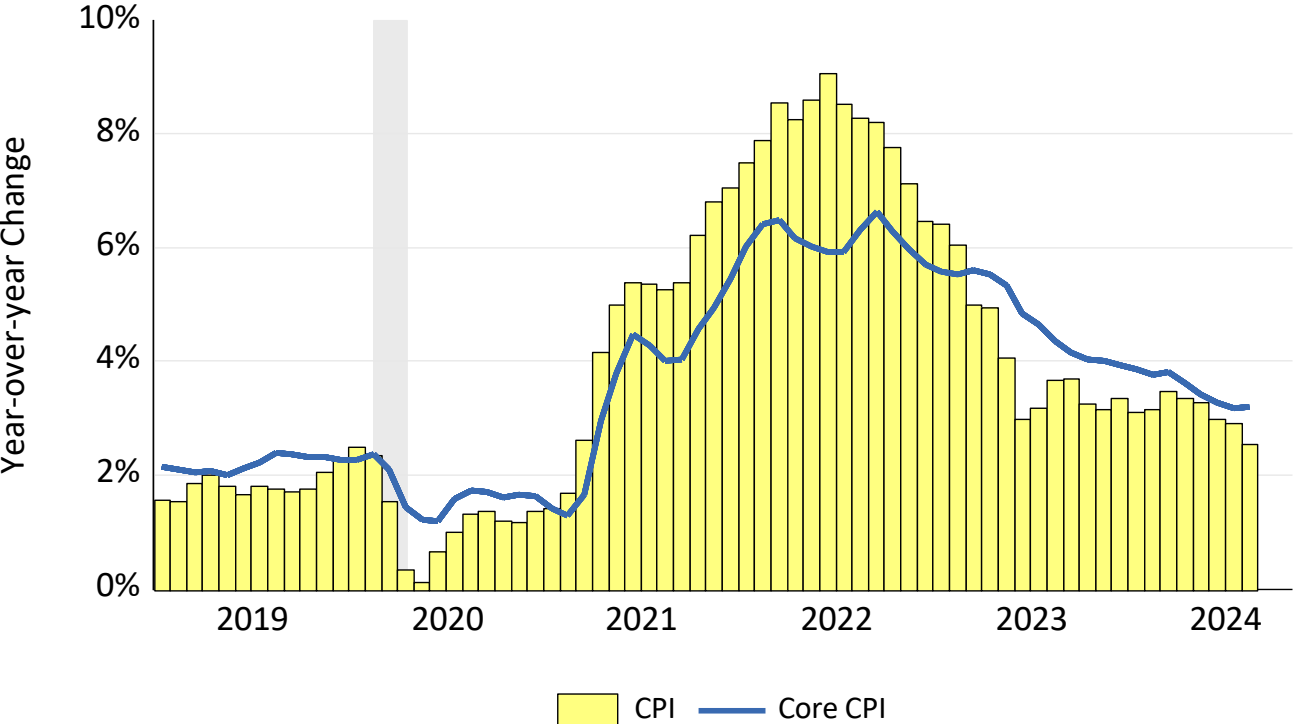
In August, average hourly earnings for all employees on private nonfarm payrolls increased by 14 cents, or 0.4%, to \$35.21. Over the past 12 months, average hourly earnings have increased by 3.8%. The average workweek for all employees on private nonfarm payrolls edged up by 0.1 hour to 34.3 hours in August.

The unemployment rate, at 4.2%, changed little in August. This is up from 3.8% a year ago. The labor force participation rate remained at 62.7% in August and is little changed over the year.

The September employment report will be out Friday, Oct 4th, with expectations of around 150,000 jobs added and no change in the unemployment rate.

Annual Price Increase in August was the Slowest Since February of 2021

Consumer Price Index (CPI)



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

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2% on a seasonally adjusted basis in August, the same increase as the prior month.

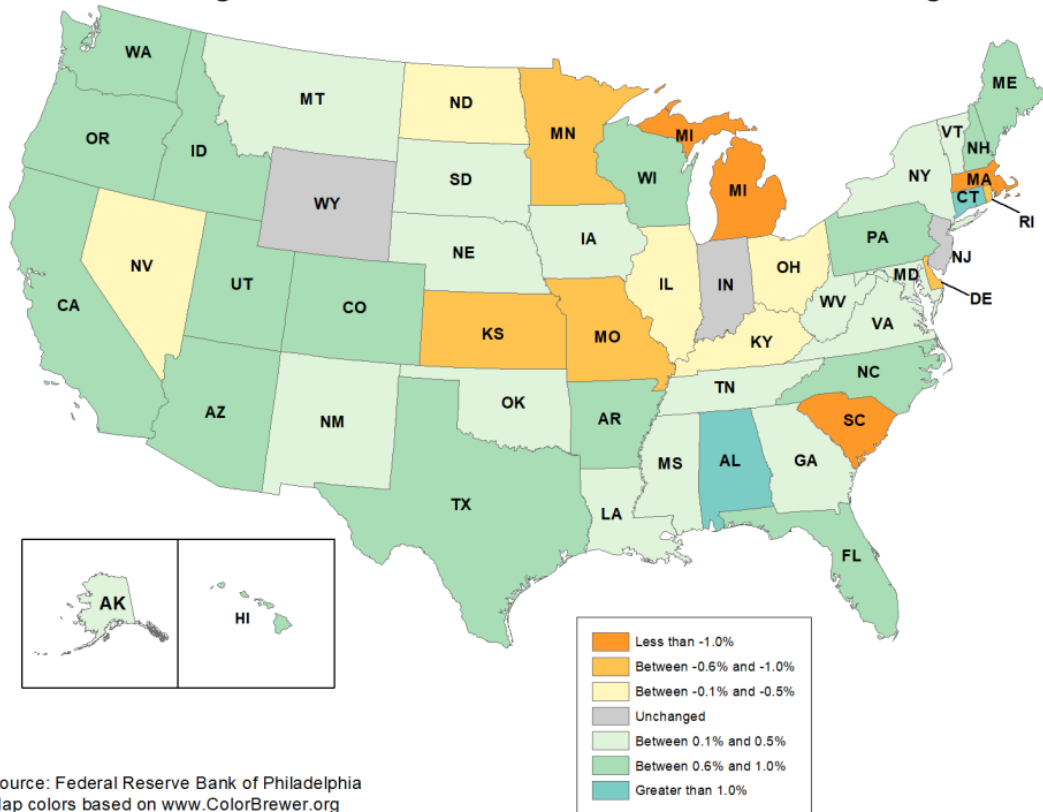
The index for shelter rose 0.5% in August and was the main factor in the all items increase. The food index increased 0.1% in August, after rising 0.2% in July. The energy index fell 0.8% over the month, after being unchanged the preceding month.

The core index, which excludes food and energy, rose 0.3% in August, after rising 0.2% the preceding month. Indexes which increased in August include shelter, airline fares, motor vehicle insurance, education, and apparel. The indexes for used cars and trucks, household furnishings and operations, medical care, communication, and recreation were among those that decreased over the month.

The all-items index rose 2.5% for the 12 months ending August, the smallest 12-month increase since February 2021. The core index rose 3.2% over the last 12 months. The energy index decreased 4.0% for the 12 months ending August, while the food index increased 2.1% over the last year.

34 States Saw Increased Economic Activity over the Past Three Months

August 2024 State Coincident Indexes: Three-Month Change



Source: Federal Reserve Bank of Philadelphia
Map colors based on www.ColorBrewer.org

Source: Federal Reserve Bank of Philadelphia

The Federal Reserve Bank of Philadelphia's coincident indexes for the 50 states increased in 34 states, decreased in 13 states, and remained stable in three over the last three months, for a three-month diffusion index of 42.

Additionally, in the past month, the indexes increased in 23 states, decreased in 17 states, and remained stable in 10, for a one-month diffusion index of 12.

In Wisconsin, the index increased 0.6% over the past three months and was up 0.4% in August.

The Philadelphia Fed's U.S. index increased 0.6% over the past three months and 0.3% in August.

Four state-level variables are used to construct the indexes: nonfarm payroll employment, average hours worked in manufacturing by production workers, the unemployment rate, and real wage and salary disbursements.

The trend for each state's index is set to the trend of its gross domestic product (GDP), so long-term growth in the state's index matches long-term growth in its GDP.

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