

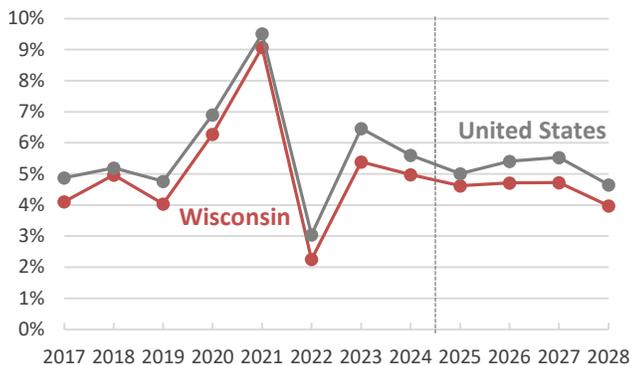
WISCONSIN ECONOMIC FORECAST – NOVEMBER 2025

- The November forecast from S&P Global Market Intelligence projects real GDP growth of 2.0% in 2025, 2.2% in 2026, and 1.8% in 2027. These figures are unchanged from the October forecast, largely due to missing data resulting from the federal government shutdown.
- The U.S. labor market is expected to experience a resilient weakening. The average annual unemployment rate is forecast to rise from 4.2% in 2025 to a peak of 4.5% in 2026, remaining at that level through 2027.
- Core Personal Consumption Expenditures (PCE) inflation is now projected to peak at 3.3% in the second quarter of 2026. This revised estimate is both lower and later than previously expected, reflecting a slower pass-through of tariffs to consumer prices.
- Total nonfarm employment in Wisconsin is forecast to grow modestly by 0.4% in 2025, with an annual average unemployment rate of 3.3%. The state’s unemployment rate is projected to peak at 3.7% by the end of 2026—significantly lower than the projected U.S. rate of 4.5%.
- Employment growth in Wisconsin for 2025 and 2026 is expected to be led by the Education and Health Services sector, while the state’s other two largest employment sectors are projected to decline.
- Personal income growth in Wisconsin is projected to slow slightly to 4.6% in 2025. This deceleration reflects a pronounced slowdown in property income growth, along with slower growth in wages and supplements to wages and salaries.

The 2026 outlook for the U.S. economy remains broadly optimistic, supported by several factors expected to strengthen consumer spending and government investment. The recently passed budget bill—which includes a personal tax cut retroactive to 2025—will boost disposable personal income through reduced withholding and higher refunds in early 2026. New federal defense spending will increase government consumption. In addition, the forecast anticipates that businesses will raise production to rebuild inventories that remain below desired levels.

limited; data centers represent a small share of total investment, and computers are largely imported. By contrast, investment in intellectual property products contributed an average of 0.6 percentage point per quarter to GDP growth in the first half of 2025. Meanwhile, AI-related firms accounted for roughly half of the recent increase in the S&P 500. The forecast assumes that spending on intellectual property products slows and that overall equity valuations decline by about 12% over the next two years, creating both upside risk (faster investment growth) and downside risk (a larger equity correction) to the baseline.

Personal Income Growth



Sources: Bureau of Economic Analysis and Wisconsin DOR (forecast).

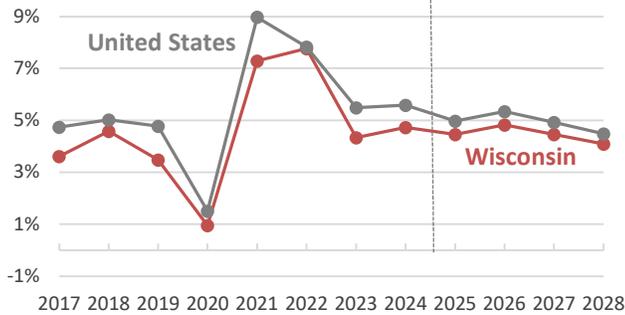
Artificial Intelligence (AI) influences the macroeconomic outlook in three areas: investment, equity valuations, and productivity. Although long-term productivity gains are expected to materialize gradually, the direct GDP impact from fixed investment in data centers and computers has been

The forecast correctly assumed a six-week shutdown, which will reduce 2025:Q4 GDP growth by 0.8 percentage point, with that loss added back in 2026:Q1 through back pay for federal workers. As a result, the overall economic impact is modest—particularly for Wisconsin, which has relatively low exposure to federal spending.

Wisconsin personal income is projected to grow 4.6% in 2025, compared with 5.0% nationally, driven primarily by solid gains in wages and salaries and strong growth in personal transfers. Wages and salaries in Wisconsin are expected to rise 4.5% in 2025 versus 5.0% nationally, with stronger growth in 2026—4.8% for Wisconsin compared with 5.3% for the U.S. Personal transfers are forecast to increase 7.9% in Wisconsin in 2025, slightly below the national pace of 8.4%, before moderating in 2026 to 4.0% and 5.5%, respectively.

Disposable income growth is expected to accelerate in 2026 following the recently enacted tax cuts, reaching 5.3% in Wisconsin and 6.2% nationwide. This pickup is expected to help sustain continued growth in consumer spending.

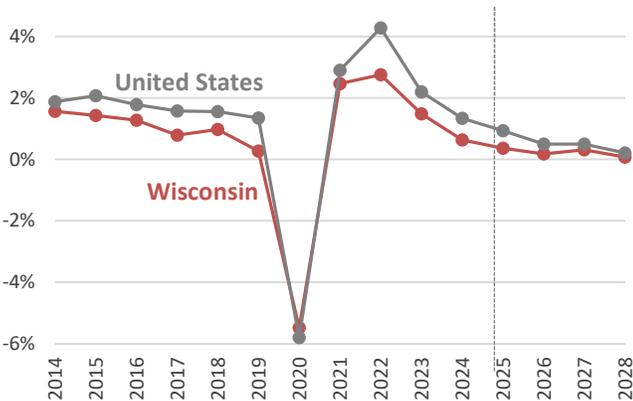
Wages and Salaries Growth



Sources: Bureau of Economic Analysis and Wisconsin DOR (forecast).

As shown in the employment growth chart, job growth continues to trail the pace of recent years. Wisconsin’s employment increased 0.6% in 2024, and the forecast calls for 0.4% growth in 2025, followed by very weak gains over the subsequent four years—mirroring the national pattern.

Employment Growth



Sources: Bureau of Labor Statistics (CES) and Wisconsin DOR (forecast).

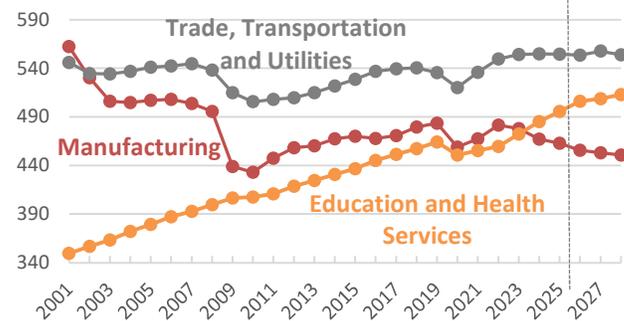
Wisconsin’s largest employment sector—trade, transportation, and utilities—was nearly flat in 2024 and is expected to remain so through 2026. Education and health services, the second-largest sector, has driven most of the state’s job growth since late 2023 and is expected to remain the primary source of new jobs, adding about 10,000 positions in both 2025 and 2026, compared with total employment gains of 11,000 and 5,000, respectively. In contrast, manufacturing—the third-largest sector—is expected to continue weighing on overall employment, losing jobs in 2025 and over the following three years. Professional and business services, information, and the federal government are the other sectors

expected to constrain job growth in 2025 and 2026.

Construction employment has remained strong but has been on a decelerating trajectory since 2023. It is projected to grow by a solid 1.3% in 2025 but is expected to slow to very modest gains in the following two years.

Wisconsin’s unemployment rate has held at 3.1% since July, while the U.S. rate rose from 4.1% in July to 4.9% in September, with the latest increase reflecting the effects of the federal government shutdown.

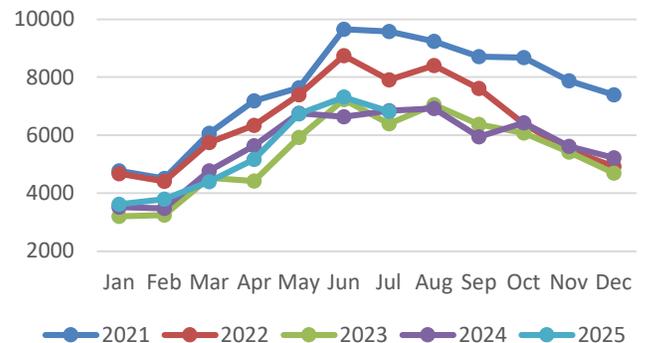
Wisconsin Employment Largest Sectors (in thousands of jobs)



Sources: Bureau of Labor Statistics (CES) and Wisconsin DOR (forecast).

Data from the Wisconsin Realtors Association show that existing home sales increased 2.4% during the first ten months of 2025, following a 5.0% gain in 2024 and two consecutive years of double-digit declines. Although the median home price rose 6.4% year-to-date through October 2025, this represents the slowest pace in five years and signals a deceleration in price appreciation. Wisconsin’s median home price increased 70% between October 2019 (\$196,000) and October 2025 (\$332,000). Housing affordability remains a challenge for both the current and future U.S. economy.

Wisconsin Existing Home Sales



Sources: Wisconsin Realtors Association.

Employment (Annual)**Table 1. Wisconsin CES Employment Forecast: Industry Detail**
(Thousands of jobs)

	History				Forecast			
	2021	2022	2023	2024	2025	2026	2027	2028
Total Nonfarm	2,897.0	2,976.8	3,021.0	3,040.2	3,059.9	3,065.9	3,065.8	3,068.5
% Change	2.5	2.8	1.5	0.6	0.7	0.2	0.0	0.1
Private Nonfarm	2,502.1	2,575.5	2,612.8	2,623.9	2,637.9	2,641.5	2,639.6	2,640.9
% Change	2.7	2.9	1.4	0.4	0.5	0.1	-0.1	0.0
Natural Resources & Mining	3.5	3.7	3.9	4.1	4.1	4.3	4.5	4.5
% Change	-0.9	5.2	5.7	4.3	2.0	4.2	4.3	1.0
Construction	127.0	132.0	137.3	140.9	140.0	139.5	139.5	140.2
% Change	2.3	4.0	4.0	2.6	-0.6	-0.4	0.0	0.5
Manufacturing	467.3	481.5	478.0	466.9	465.7	464.8	460.9	460.0
% Change	1.8	3.1	-0.7	-2.3	-0.3	-0.2	-0.8	-0.2
Trade, Transportation & Utilities	535.7	549.6	553.9	554.6	556.1	556.3	559.4	555.9
% Change	3.0	2.6	0.8	0.1	0.3	0.0	0.6	-0.6
Information	45.1	46.4	47.5	47.5	48.1	48.7	48.2	47.7
% Change	0.3	2.9	2.2	0.1	1.2	1.3	-1.1	-1.0
Financial Activities	155.7	159.3	159.9	159.3	160.1	162.0	162.6	162.6
% Change	1.8	2.3	0.4	-0.4	0.5	1.1	0.4	0.0
Professional & Business Services	319.2	329.1	331.4	330.3	330.0	317.1	310.4	313.2
% Change	3.0	3.1	0.7	-0.3	-0.1	-3.9	-2.1	0.9
Education & Health Services	455.1	459.4	472.3	485.1	496.7	506.1	510.8	515.1
% Change	1.0	0.9	2.8	2.7	2.4	1.9	0.9	0.9
Leisure & Hospitality	250.1	269.6	283.8	288.3	291.7	298.3	300.0	298.7
% Change	9.8	7.8	5.3	1.6	1.2	2.3	0.6	-0.4
Other Services	143.3	144.8	144.8	147.0	149.0	150.1	151.0	152.4
% Change	0.4	1.1	0.0	1.5	1.3	0.8	0.6	0.9
Government	394.9	401.3	408.2	416.3	418.5	418.7	418.4	418.1
% Change	0.8	1.6	1.7	2.0	0.5	0.0	-0.1	-0.1
Federal Government	29.9	29.5	30.4	31.4	31.1	31.1	31.1	31.1
% Change	-2.8	-1.4	3.0	3.2	-1.0	0.0	0.1	0.1
State & Local Government	365.0	371.8	377.8	384.9	387.5	387.6	387.3	387.0
% Change	1.1	1.9	1.6	1.9	0.7	0.0	-0.1	-0.1

Table 2. Wisconsin Household Survey Employment Measures

	History				Forecast			
	2021	2022	2023	2024	2025	2026	2027	2028
Labor Force	3,110.2	3,103.1	3,145.1	3,175.5	3,169.5	3,174.8	3,174.6	3,173.6
% Change	0.3	-0.2	1.4	1.0	-0.2	0.2	0.0	0.0
Employment	2,992.2	3,015.7	3,057.0	3,081.3	3,064.3	3,060.7	3,057.5	3,055.6
% Change	3.1	0.8	1.4	0.8	-0.6	-0.1	-0.1	-0.1
Unemployment Rate (%)	3.8	2.8	2.8	3.0	3.3	3.6	3.7	3.7

Source: Bureau of Labor Statistics

Employment (Quarterly)

Table 3. Wisconsin CES Employment Forecast: Industry Detail
(Thousands of jobs, seasonally adjusted data, annual rate of change)

	History				Forecast			
	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4	2026:1	2026:2
Total Nonfarm	3,041.2	3,047.3	3,050.1	3,052.2	3,054.3	3,048.5	3,050.8	3,054.7
% Change	0.6	0.8	0.4	0.3	0.3	-0.8	0.3	0.5
Private Nonfarm	2,621.5	2,629.8	2,632.2	2,637.8	2,629.3	2,631.5	2,634.6	2,638.5
% Change	-0.2	1.3	0.4	0.9	-1.3	0.3	0.5	0.6
Natural Resources & Mining	4.0	4.1	4.1	4.1	4.1	4.1	4.1	4.1
% Change	-3.2	6.8	0.0	0.0	-2.4	0.7	1.5	3.7
Construction	141.0	142.3	141.9	142.7	143.1	142.8	142.8	142.8
% Change	3.6	3.7	-1.2	2.4	1.2	-0.9	0.1	-0.2
Manufacturing	464.3	464.7	462.5	464.9	463.4	460.0	457.5	457.5
% Change	-3.3	0.3	-1.8	2.1	-1.3	-3.0	-2.1	0.0
Trade, Transportation & Utilities	553.8	556.1	555.5	554.8	554.5	553.2	551.7	551.4
% Change	-0.1	1.7	-0.4	-0.5	-0.3	-0.9	-1.1	-0.2
Information	47.0	48.1	48.4	47.9	46.8	46.8	47.0	47.2
% Change	-2.8	10.0	2.5	-4.6	-8.5	-0.1	1.5	2.2
Financial Activities	159.4	158.5	158.3	159.1	160.1	160.1	160.8	161.1
% Change	-0.6	-2.2	-0.4	1.9	2.7	-0.1	1.7	0.7
Professional & Business Services	330.0	331.3	333.8	330.8	328.0	326.9	326.0	324.1
% Change	-0.1	1.5	3.1	-3.6	-3.4	-1.3	-1.1	-2.3
Education & Health Services	486.5	488.0	491.1	493.9	498.0	499.3	502.6	506.3
% Change	2.0	1.2	2.6	2.3	3.3	1.1	2.7	2.9
Leisure & Hospitality	288.4	288.2	287.2	290.2	290.1	289.9	292.4	294.3
% Change	-1.6	-0.3	-1.4	4.2	-0.1	-0.3	3.6	2.6
Other Services	147.2	148.4	149.3	149.5	149.1	148.5	149.6	149.7
% Change	2.0	3.5	2.4	0.4	-1.0	-1.6	3.1	0.1
Government	419.7	417.5	417.9	414.4	417.2	417.0	416.2	416.2
% Change	6.4	-2.0	0.4	-3.3	2.7	-0.2	-0.7	0.0
Federal Government	31.4	31.3	31.1	30.6	30.4	29.2	28.8	28.8
% Change	-0.4	-1.3	-2.9	-6.3	-1.9	-15.0	-5.2	0.1
State & Local Government	388.3	386.2	386.8	383.8	386.8	387.7	387.4	387.4
% Change	6.9	-2.1	0.7	-3.1	3.1	1.0	-0.4	0.0

Table 4. Wisconsin Household Survey Employment Measures

	History				Forecast			
	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4	2026:1	2026:2
Labor Force	3,179.9	3,185.5	3,169.1	3,163.0	3,141.5	3,152.1	3,154.4	3,157.8
% Change	1.0	0.7	-2.0	-0.8	-2.7	1.4	0.3	0.4
Employment	3,085.6	3,087.1	3,065.6	3,060.3	3,044.0	3,041.3	3,040.8	3,042.4
% Change	0.9	0.2	-2.8	-0.7	-2.1	-0.4	-0.1	0.2
Unemployment Rate (%)	3.0	3.1	3.2	3.3	3.4	3.5	3.6	3.7

Source: Bureau of Labor Statistics, Wisconsin Department of Revenue (Forecast)

Employment (Quarterly)

Table 3b. Wisconsin CES Employment Forecast: Industry Detail

(Thousands of jobs, year-over-year change)

	History				Forecast			
	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4	2026:1	2026:2
Total Nonfarm	3,041.2	3,047.3	3,050.1	3,052.2	3,054.3	3,048.5	3,050.8	3,054.7
% Change	0.5	0.6	0.5	0.5	0.4	0.0	0.0	0.1
Private Nonfarm	2,621.5	2,629.8	2,632.2	2,637.8	2,629.3	2,631.5	2,634.6	2,638.5
% Change	0.2	0.5	0.4	0.6	0.3	0.1	0.1	0.0
Natural Resources & Mining	4.0	4.1	4.1	4.1	4.1	4.1	4.1	4.1
% Change	2.5	3.4	1.7	0.8	1.0	-0.4	-0.1	0.8
Construction	141.0	142.3	141.9	142.7	143.1	142.8	142.8	142.8
% Change	2.5	2.7	1.1	2.1	1.5	0.4	0.7	0.1
Manufacturing	464.3	464.7	462.5	464.9	463.4	460.0	457.5	457.5
% Change	-2.7	-1.9	-1.7	-0.7	-0.2	-1.0	-1.1	-1.6
Trade, Transportation & Utilities	553.8	556.1	555.5	554.8	554.5	553.2	551.7	551.4
% Change	0.0	0.3	0.2	0.2	0.1	-0.5	-0.7	-0.6
Information	47.0	48.1	48.4	47.9	46.8	46.8	47.0	47.2
% Change	-1.3	1.3	1.8	1.1	-0.4	-2.8	-3.0	-1.3
Financial Activities	159.4	158.5	158.3	159.1	160.1	160.1	160.8	161.1
% Change	-0.5	-1.0	-0.8	-0.3	0.5	1.0	1.5	1.2
Professional & Business Services	330.0	331.3	333.8	330.8	328.0	326.9	326.0	324.1
% Change	-0.6	0.4	1.2	0.2	-0.6	-1.3	-2.3	-2.0
Education & Health Services	486.5	488.0	491.1	493.9	498.0	499.3	502.6	506.3
% Change	2.6	2.1	1.9	2.0	2.4	2.3	2.3	2.5
Leisure & Hospitality	288.4	288.2	287.2	290.2	290.1	289.9	292.4	294.3
% Change	1.1	0.8	0.1	0.2	0.6	0.6	1.8	1.4
Other Services	147.2	148.4	149.3	149.5	149.1	148.5	149.6	149.7
% Change	1.7	2.1	2.2	2.1	1.3	0.0	0.2	0.1
Government	419.7	417.5	417.9	414.4	417.2	417.0	416.2	416.2
% Change	2.8	1.7	0.7	0.3	-0.6	-0.1	-0.4	0.4
Federal Government	31.4	31.3	31.1	30.6	30.4	29.2	28.8	28.8
% Change	2.7	1.1	-1.0	-2.8	-3.1	-6.7	-7.2	-5.7
State & Local Government	388.3	386.2	386.8	383.8	386.8	387.7	387.4	387.4
% Change	2.8	1.8	0.9	0.5	-0.4	0.4	0.1	0.9

Table 4b. Wisconsin Household Survey Employment Measures

	History				Forecast			
	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4	2026:1	2026:2
Labor Force	3,179.9	3,185.5	3,169.1	3,163.0	3,141.5	3,152.1	3,154.4	3,157.8
% Change	0.8	0.7	0.1	-0.3	-1.2	-1.0	-0.5	-0.2
Employment	3,085.6	3,087.1	3,065.6	3,060.3	3,044.0	3,041.3	3,040.8	3,042.4
% Change	0.7	0.6	-0.3	-0.6	-1.3	-1.5	-0.8	-0.6
Unemployment Rate (%)	3.0	3.1	3.2	3.3	3.4	3.5	3.6	3.7

Source: Bureau of Labor Statistics, Wisconsin Department of Revenue (Forecast)

Wisconsin Personal Income (Annual)

Table 5. Wisconsin Personal Income by Major Source
(\$ Billions)

	History				Forecast			
	2021	2022	2023	2024	2025	2026	2027	2028
Total Personal Income	357.0	365.1	384.7	403.9	422.6	442.5	463.4	481.8
% Change	9.1	2.3	5.4	5.0	4.6	4.7	4.7	4.0
Wages and Salaries	168.5	181.6	189.5	198.4	207.2	217.2	226.9	236.2
% Change	7.3	7.8	4.3	4.7	4.5	4.8	4.5	4.1
Supplements to Wages and Salaries	41.3	42.6	44.8	47.8	49.9	52.4	54.4	56.5
% Change	2.7	3.1	5.2	6.6	4.5	4.9	3.9	3.9
Proprietor's Income	26.0	24.5	25.2	26.3	27.4	28.4	30.4	31.5
% Change	11.1	-5.5	2.7	4.3	4.3	3.5	7.1	3.8
Property Income	66.2	70.5	79.3	83.0	84.6	88.6	93.1	96.9
% Change	11.8	6.5	12.6	4.6	2.0	4.6	5.2	4.1
Personal Interest Income	22.3	23.7	27.4	28.7	29.4	31.6	35.5	39.1
% Change	-2.3	6.4	15.7	4.7	2.4	7.7	12.2	10.3
Personal Dividend Income	32.1	33.9	36.9	38.1	38.4	39.5	40.0	40.0
% Change	28.2	5.4	9.1	3.1	0.7	2.9	1.4	-0.2
Rental Income	11.8	12.9	15.0	16.2	16.9	17.5	17.6	17.8
% Change	3.9	9.4	16.1	8.1	4.2	3.2	0.9	1.1
Personal Current Transfer Receipts	77.7	70.8	72.3	76.8	82.9	86.2	89.5	92.7
% Change	12.6	-8.9	2.2	6.1	7.9	4.0	3.9	3.5
Residence Adjustment	4.2	4.2	4.4	4.5	4.7	4.9	5.0	5.2
% Change	7.1	-0.2	3.2	2.5	4.4	4.2	3.8	3.4
Contributions to Govt. Social Ins.	26.9	29.2	30.8	32.8	34.2	35.1	36.0	37.3
% Change	5.3	8.4	5.5	6.5	4.3	2.7	2.6	3.4

Table 6. Wisconsin Related Income Measures
(Different units)

	History				Forecast			
	2021	2022	2023	2024	2025	2026	2027	2028
Real Personal Income (2012 \$ Billions) *	350.4	340.7	342.6	349.0	354.4	358.9	366.3	371.6
% Change	3.7	-2.8	0.6	1.9	1.5	1.3	2.1	1.4
Population (Millions)	5.882	5.904	5.930	5.961	5.979	5.997	6.006	6.015
% Change	-0.3	0.4	0.4	0.5	0.3	0.3	0.1	0.1
Per Capita Income (\$)	60,699	61,831	64,872	67,755	70,673	73,838	77,215	80,172
Change	9.4	1.9	4.9	4.4	4.3	4.5	4.6	3.8
Personal Tax & Nontax Payments (\$ Billions)	39.3	48.7	43.5	46.0	49.4	49.6	52.2	54.4
% Change	14.5	24.0	-10.7	5.7	7.3	0.4	5.3	4.3
Disposable Personal Income (\$ Billions)	317.7	316.3	341.2	357.9	373.2	392.9	411.2	427.4
% Change	8.4	-0.4	7.9	4.9	4.3	5.3	4.7	3.9
GDP (\$ Billions)	369.0	403.6	431.9	453.3	473.3	493.7	512.1	529.9
% Change	7.1	9.4	7.0	5.0	4.4	4.3	3.7	3.5
Real GDP (chained 2012 \$ Billions)	334.8	341.9	347.1	354.4	359.1	364.4	368.1	371.2
% Change	3.3	2.1	1.5	2.1	1.3	1.5	1.0	0.8

* 2024 values are forecasted

Source: Bureau of Economic Analysis, Wisconsin Department of Revenue Forecast)

Wisconsin Personal Income (Quarterly)

Table 7. Wisconsin Personal Income by Major Source
(\$ Billions, seasonally adjusted, annual rate of change)

	History				Forecast			
	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4	2026:1	2026:2
Total Personal Income	405.9	409.6	415.7	421.1	424.8	428.7	434.5	440.0
% Change	3.7	3.7	6.0	5.3	3.6	3.7	5.6	5.1
Wages and Salaries	199.5	201.2	204.0	206.6	208.4	210.1	213.3	216.1
% Change	4.0	3.5	5.6	5.1	3.5	3.3	6.3	5.5
Supplements to Wages and Salaries	48.1	48.3	49.1	49.7	50.2	50.8	51.5	52.2
% Change	4.7	2.0	6.1	5.1	4.2	4.9	5.9	4.8
Proprietor's Income	26.8	27.3	27.3	27.1	27.6	27.6	27.3	27.8
% Change	14.9	6.6	0.8	-3.3	7.9	-0.2	-4.4	8.2
Property Income	82.9	83.4	84.2	84.4	84.7	85.3	87.1	88.2
% Change	-0.4	2.2	4.1	0.9	1.1	3.0	8.9	4.8
Personal Current Transfer Receipts	77.0	78.1	80.4	83.0	83.6	84.5	85.3	85.9
% Change	3.1	5.8	12.2	13.4	3.1	4.6	3.7	2.7
Residence Adjustment	4.5	4.6	4.6	4.7	4.7	4.7	4.8	4.8
% Change	7.6	5.1	3.1	5.2	2.2	3.3	5.5	4.8
Contributions to Government Social Ins.	33.0	33.3	33.9	34.3	34.3	34.3	34.7	35.0
% Change	4.3	3.3	8.0	4.4	-0.3	0.4	5.2	3.3

Source: Bureau of Economic Analysis, Wisconsin Department of Revenue (Forecast)

General Purposes Revenues

Table 8. General Purposes Revenues, Fiscal Year 2026 Through October (Preliminary)
(\$ Millions)

	FY2025	FY2026	Annual Change	Expected Revenues ¹	\$ Difference
Individual Income Tax	2,953.4	3,128.5	5.9%	3,107.1	21.0
General Sales Tax	1,989.7	2,106.1	5.8%	2,083.4	23.0
Corporate Franchise Tax	658.1	709.0	7.7%	613.0	96.0
Other Revenues	264.7	253.8	-4.1%	269.8	-16.0
Total GPR	5,865.9	6,197.4	5.7%	6,073.3	124.0

Source: Wisconsin Department of Revenue

1. Expected Revenues are based on the Budget Forecast, adjusted for subsequent law changes.