

Monthly Economic Update

FEBRUARY 2024, FEATURING JANUARY NEWS RELEASES
WISCONSIN DEPARTMENT OF REVENUE

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

Wisconsin Updates

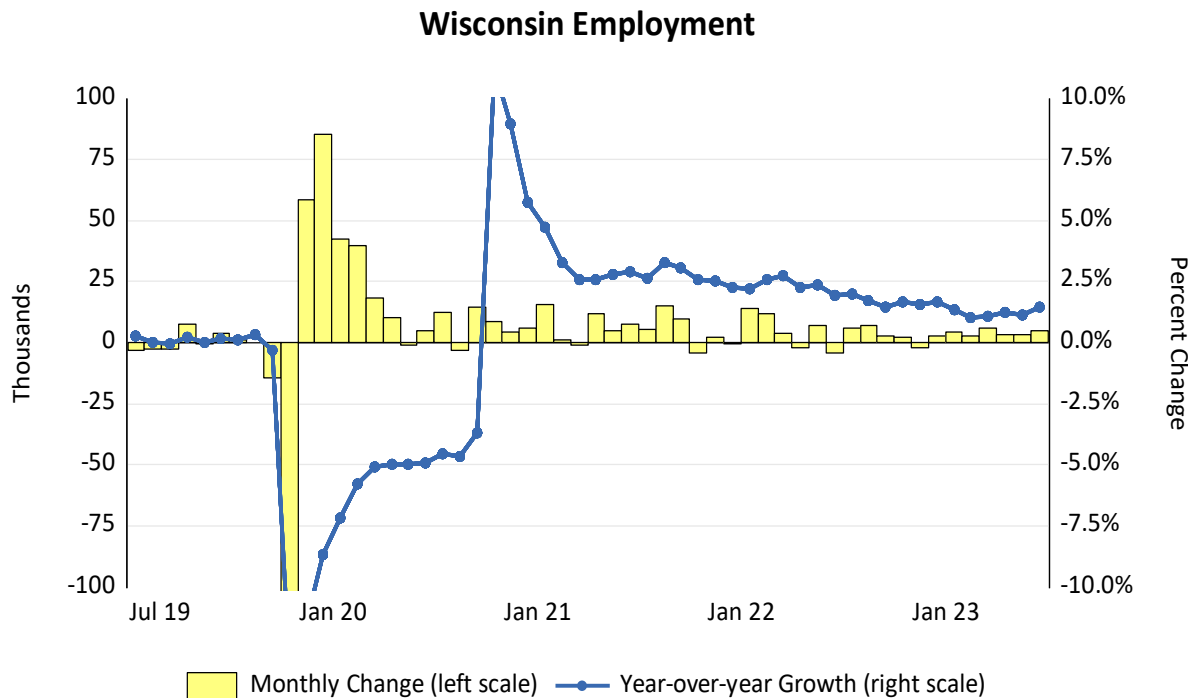
December Employment

- Sectors

FY24 Revenues Through Dec 2023

Farm Prices

Wisconsin Added 4,800 Jobs in December



Wisconsin employment increased by 4,800 in December, after increasing a revised 3,100 in November. Employment increased 42,700 since December of 2022, an increase of 1.4%.

Private employment grew 1,700 in December and 34,400 over the year. Meanwhile government employment added 3,100 jobs in December and 8,300 since last year.

Jobs gains over the year were seen in the private education and health sector (+13,600), leisure & hospitality (+7,500) and construction (+5,200), among others.

Manufacturing employment was nearly flat, with job gains in nondurable manufacturing nearly offsetting losses in the durable manufacturing sector.

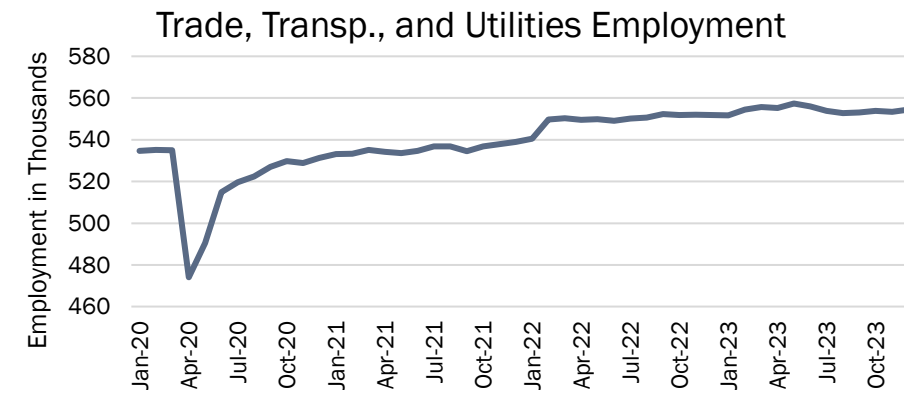
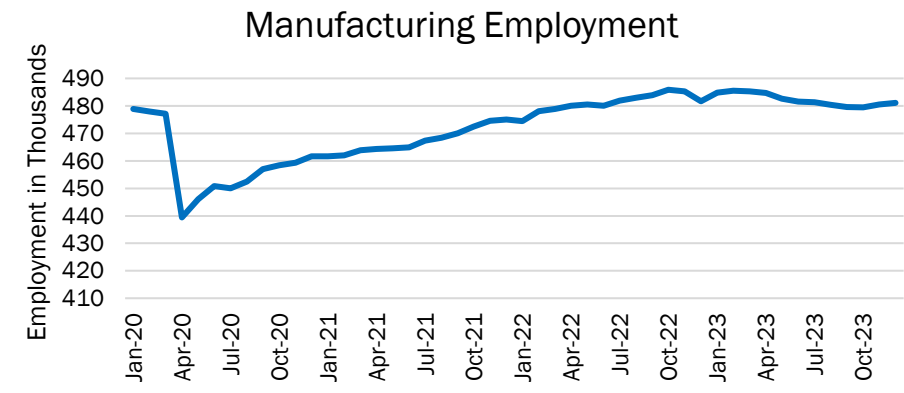
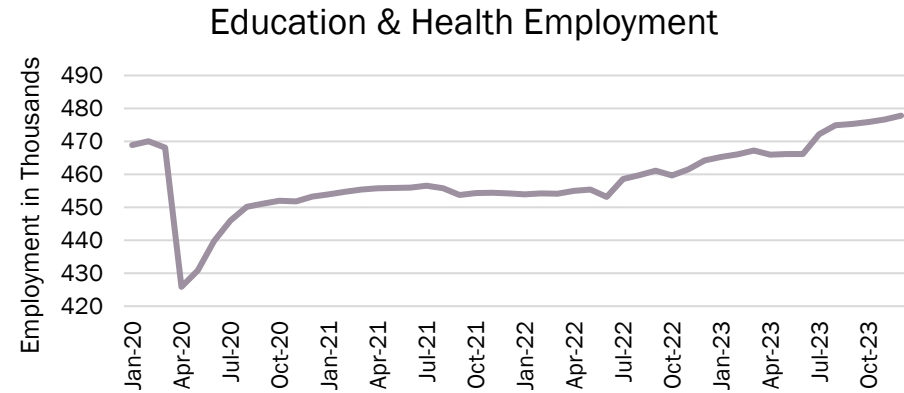
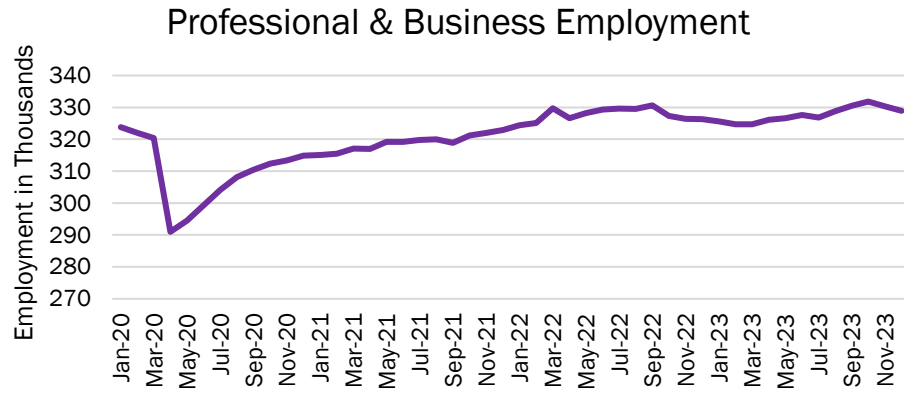
The unemployment rate in Wisconsin, at 3.3% in December, remains below the U.S. rate of 3.7%. The labor force participation rate was 65.9% in December in Wisconsin, up from 64.6% last year. The labor force increased by 80,000 since last December.

The next employment report will be issued on March 7th and will include January 2024 estimates as well as revisions to past years.

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

Wisconsin Employment Sectors:

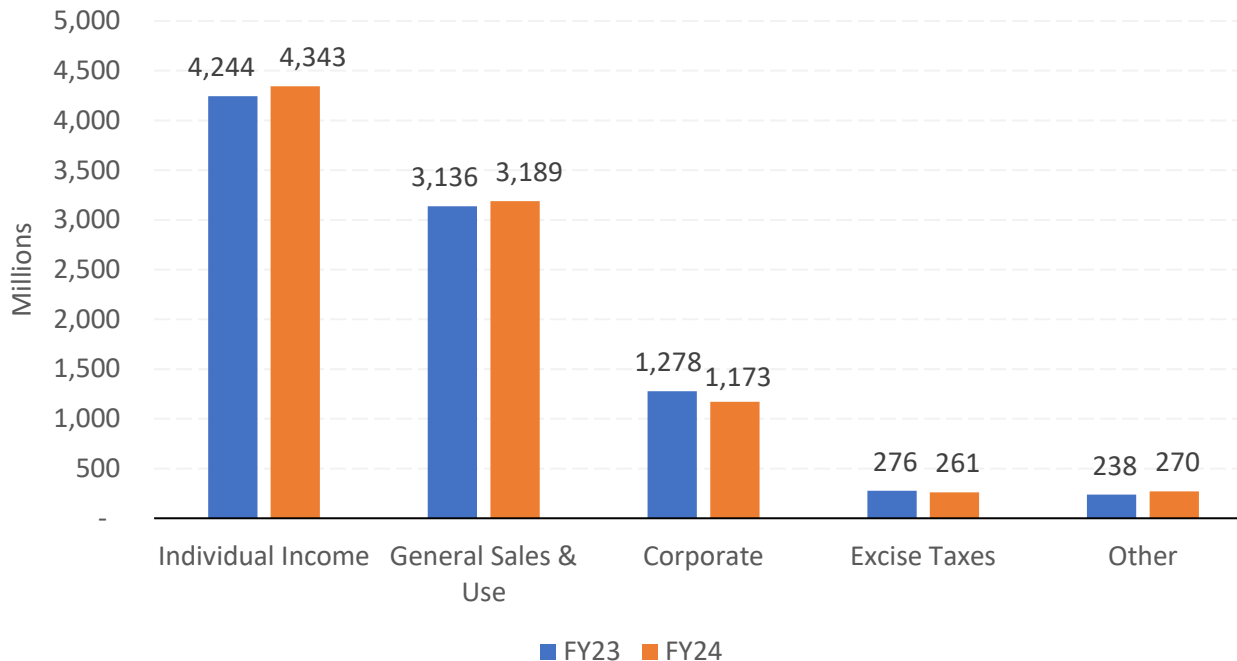
Professional & Business Employment Moves Lower while Education & Health Employment Continues to Rise; Manufacturing and Trade, Trans., & Utilities Employment Move Sideways



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

Wisconsin Revenues Increased 0.7% During First Half of FY24

**General Purpose Revenues (GPR)
Through December**



Source: Wisconsin Department of Revenue

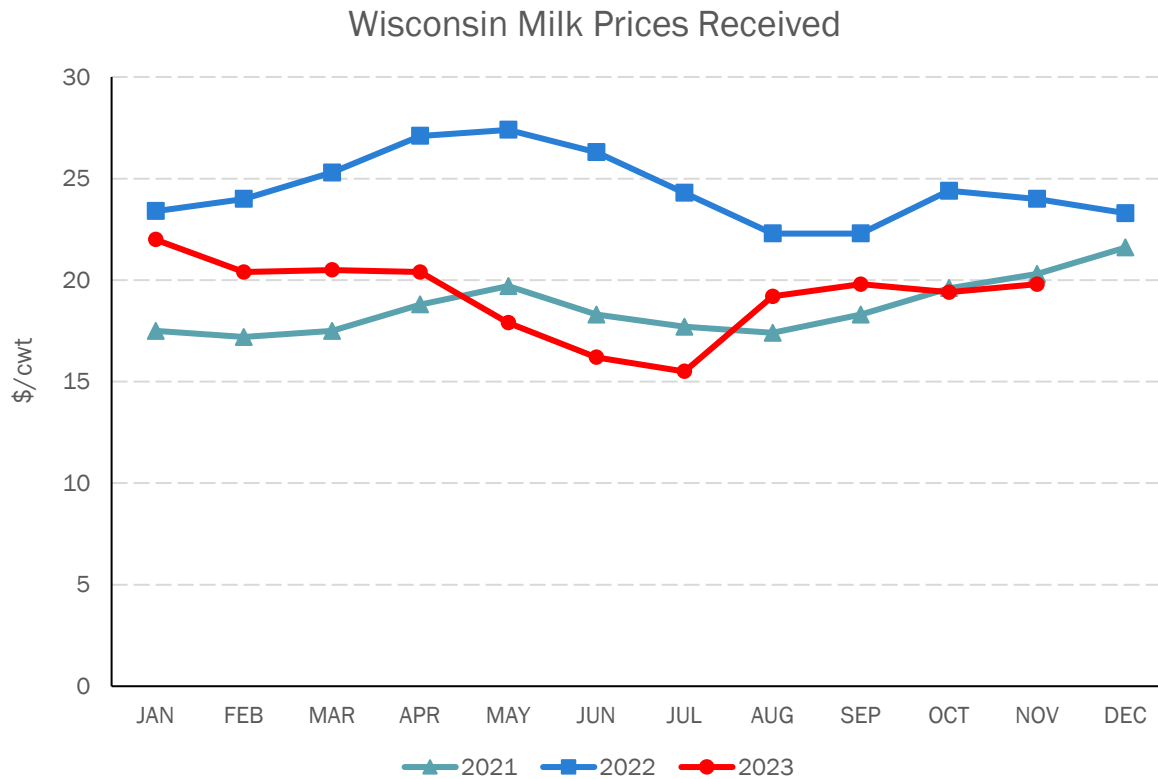
Wisconsin's General Purpose Revenues (GPR) increased 0.7% during the first half of fiscal year 2024 (FY24), from \$9.17 billion last year to \$9.24 billion in the current year.

Individual income tax revenues, the largest source of revenues, increased 2.3% in the first six months, reaching \$4.34 billion. The revised forecast calls for a 1.3% increase for the year.

Sales tax revenues increased 1.7% to \$3.19 billion. Sales are expected to rise 2.0% in FY24.

Corporate tax revenues declined 8.3% to \$1.17 billion, and are expected to end the year with a 5.8% decline in revenues.

Wisconsin Milk Prices Edged Higher in November



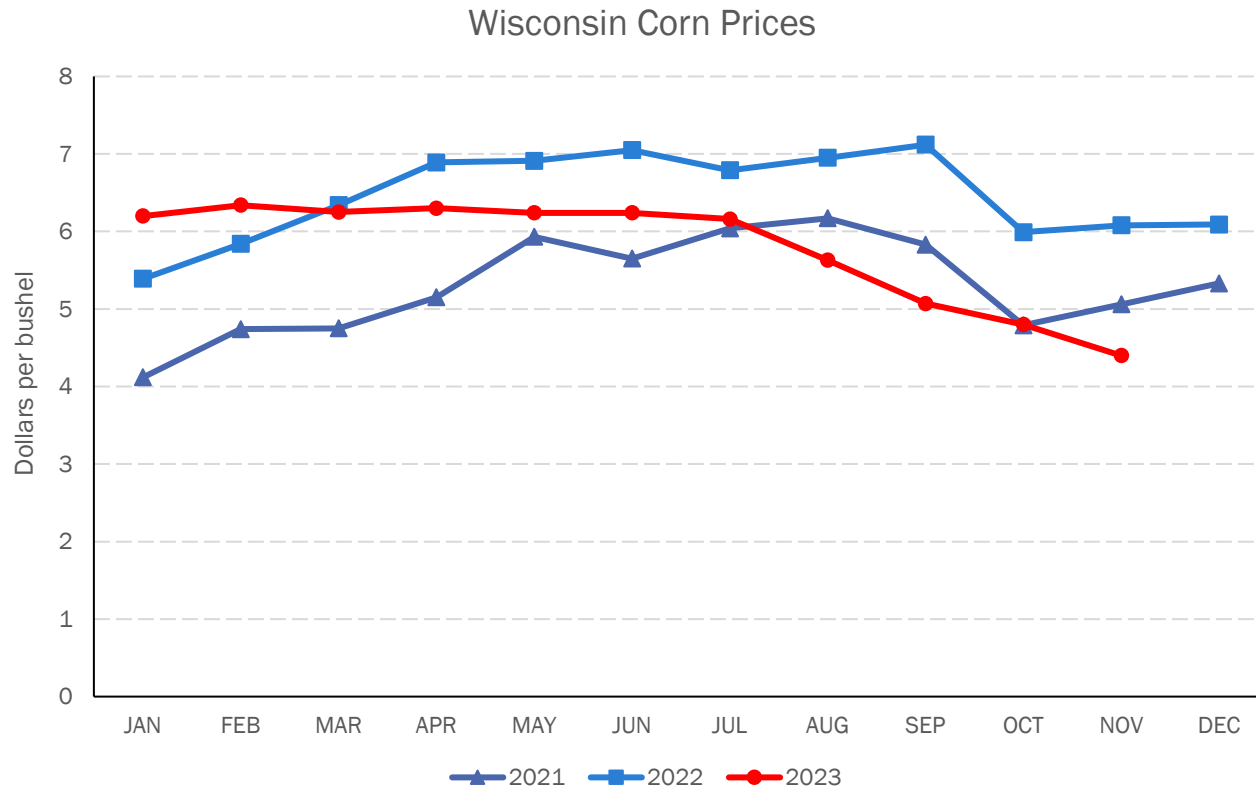
Milk prices received by Wisconsin farmers averaged \$19.80 per hundred-weight in November 2023. This was \$4.20/cwt, or 17.5% lower than the \$23.60 received last year, but \$0.40 more than October 2023.

Milk prices are nearly even with their levels of two years ago, after prices spiked in mid-2022.

Nationally, milk prices averaged \$21.70 per cwt, \$1.90 more than received here in Wisconsin.

Source: U.S. Department of Agriculture, National Agricultural Statistics Service

Wisconsin Corn Prices Continued to Decline



Corn prices received by Wisconsin farmers moved lower in November, averaging \$4.40 per bushel, down \$0.40 from \$4.80 in October – an 8.3% decline. Prices are \$1.68 (27.6%) lower than the \$6.08 average of November 2022.

Prices have fallen for nine straight months and are down \$1.94 from the \$6.34 per bushel received in February.

Nationally, corn prices received by farmers averaged \$4.66 per bushel, \$0.26 higher than in Wisconsin.

Source: U.S. Department of Agriculture, National Agricultural Statistics Service

U.S. Updates

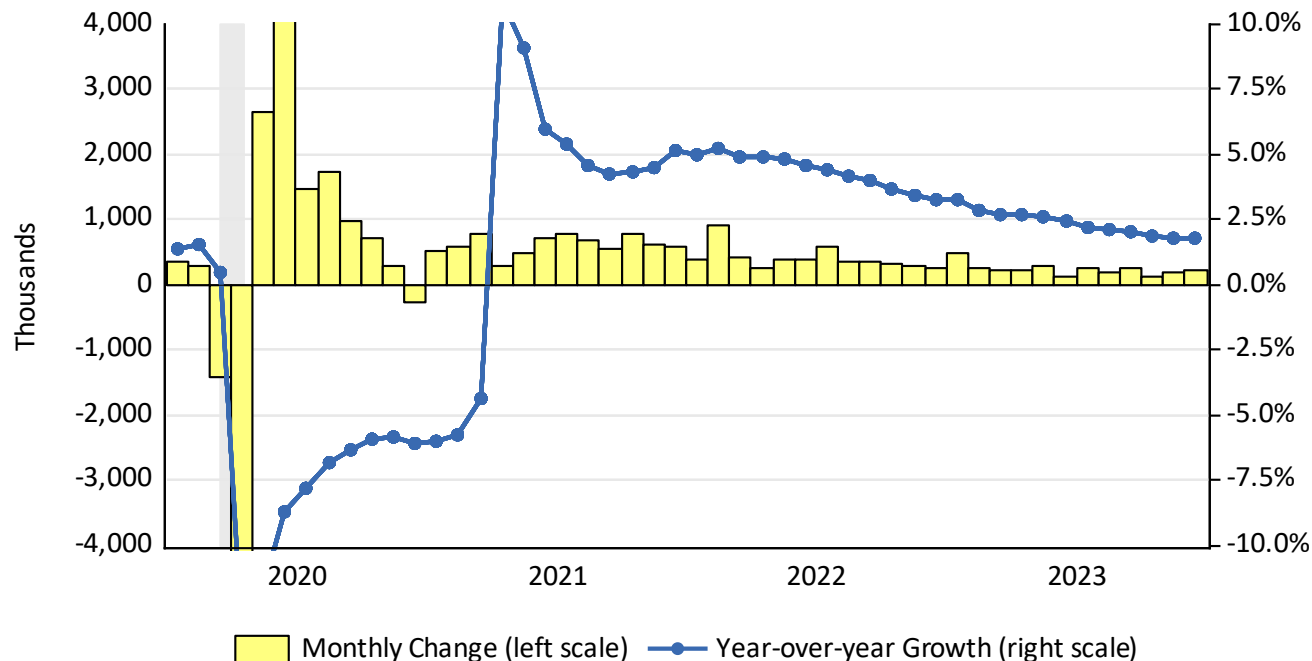
Employment

Inflation (CPI)

Consumer Sentiment

U.S. Employment Increased by 216,000 in December

National Employment



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

Total nonfarm payroll employment increased by 216,000 in December. Employment continued to trend up in government, health care, social assistance, and construction, while transportation and warehousing lost jobs. Payroll employment for October and November were revised lower by 71,000.

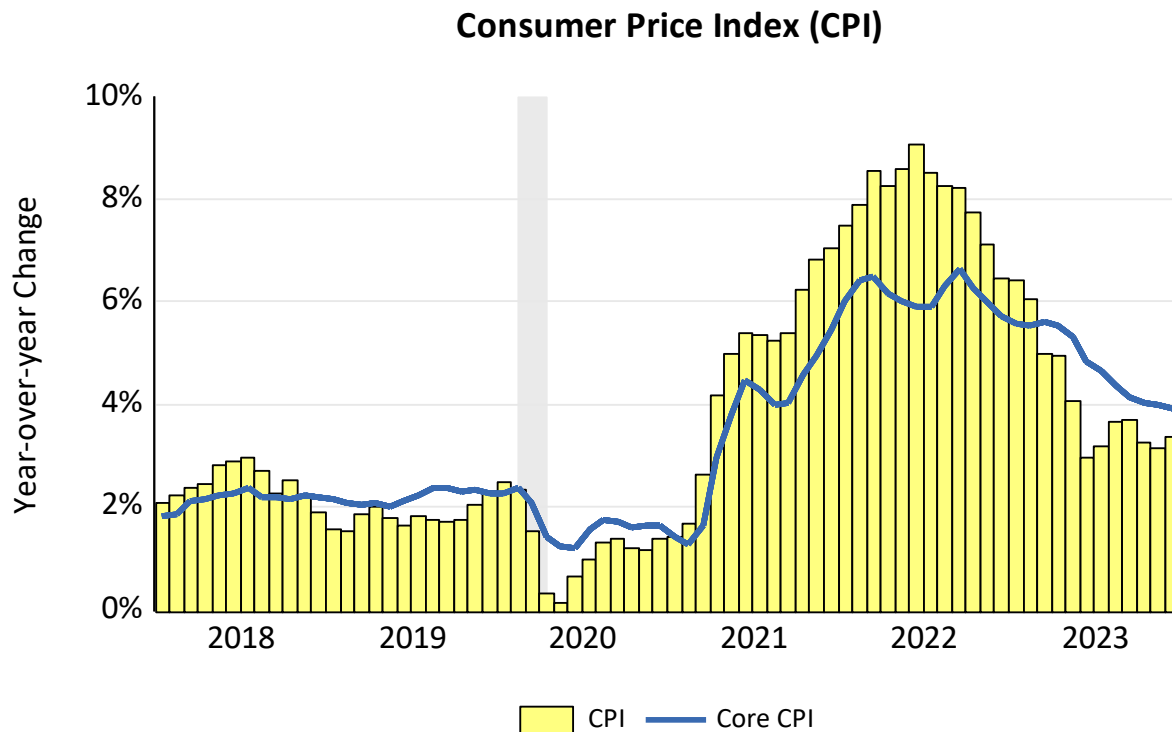
Payroll employment rose by 2.7 million in 2023 (an average monthly gain of 225,000), less than the increase of 4.8 million in 2022.

In December, average hourly earnings for all employees on private nonfarm payrolls rose by 15 cents, or 0.4%, to \$34.27. Over the past 12 months, average hourly earnings have increased by 4.1%.

The average workweek for all employees on private nonfarm payrolls edged down by 0.1 hour to 34.3 hours in December.

The unemployment rate held at 3.7% in December, and the number of unemployed persons was essentially unchanged at 6.3 million. The labor force participation rate, at 62.5%, and the employment-population ratio, at 60.1%, both decreased by 0.3 percentage point in December. These measures showed little or no change over the year.

Consumer Prices Increased 3.4% Over Past Year



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

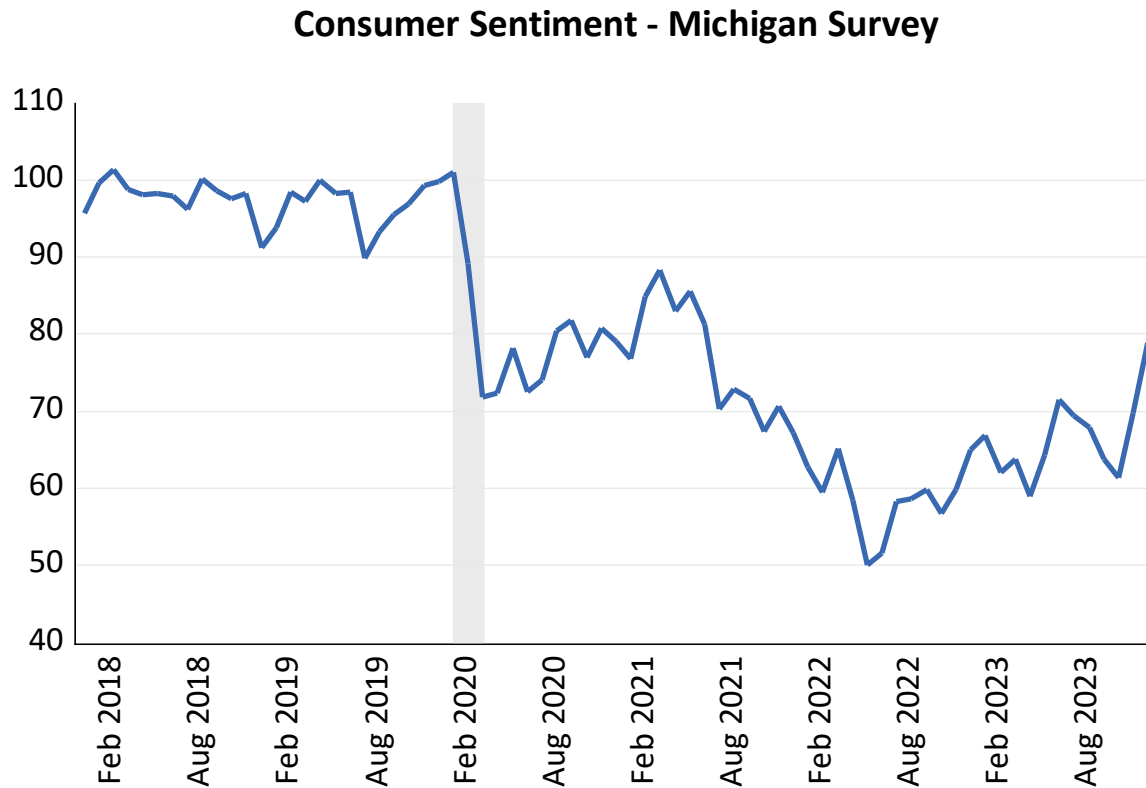
The Consumer Price Index for All Urban Consumers (CPIU) increased 0.3% in December on a seasonally adjusted basis, after rising 0.1% in November. Over the last 12 months, the all items index increased 3.4% before seasonal adjustment.

The index for shelter continued to rise in December, contributing over half of the monthly increase. The energy index rose 0.4% over the month and the food index increased 0.2% in December. The index for food at home increased 0.1% over the month and the index for food away from home rose 0.3%.

The core index, which excludes food and energy, rose 0.3% in December, the same monthly increase as in November. Indexes which increased in December include shelter, motor vehicle insurance, and medical care, while the index for household furnishings and operations and the index for personal care were among those that decreased over the month.

The all items index rose 3.4% for the 12 months ending December, a larger increase than the 3.1% increase for the 12 months ending November. The core index rose 3.9% over the last 12 months, after rising 4.0% over the 12 months ending November. The energy index decreased 2.0% for the 12 months ending December, while the food index increased 2.7%.

Consumer Sentiment Jumped Mid-January



Source: University of Michigan, Surveys of Consumers

The University of Michigan's Index of Consumer Sentiment moved sharply higher to 78.8 in January from 69.7 in December. This was a 13.1% increase over the month, and a 21.4% increase from the 64.9 reading in January of 2023.

The consumer sentiment index was at its highest reading since July 2021, and over the last two months it has climbed a cumulative 29% - the largest two-month increase since 1991.

The Current Economic Conditions index also increased, to 83.3 in January, a 13.6% increase from December's 73.3. The Index of Consumer Expectations rose 12.6%, to 75.9 in January from 67.4 in December.

The report noted that the increase was spread across demographic groups, showing improvement across age, income, education, and geography.

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