

Monthly Economic Update

JANUARY 2026, FEATURING DECEMBER NEWS RELEASES
WISCONSIN DEPARTMENT OF REVENUE

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

Wisconsin Updates

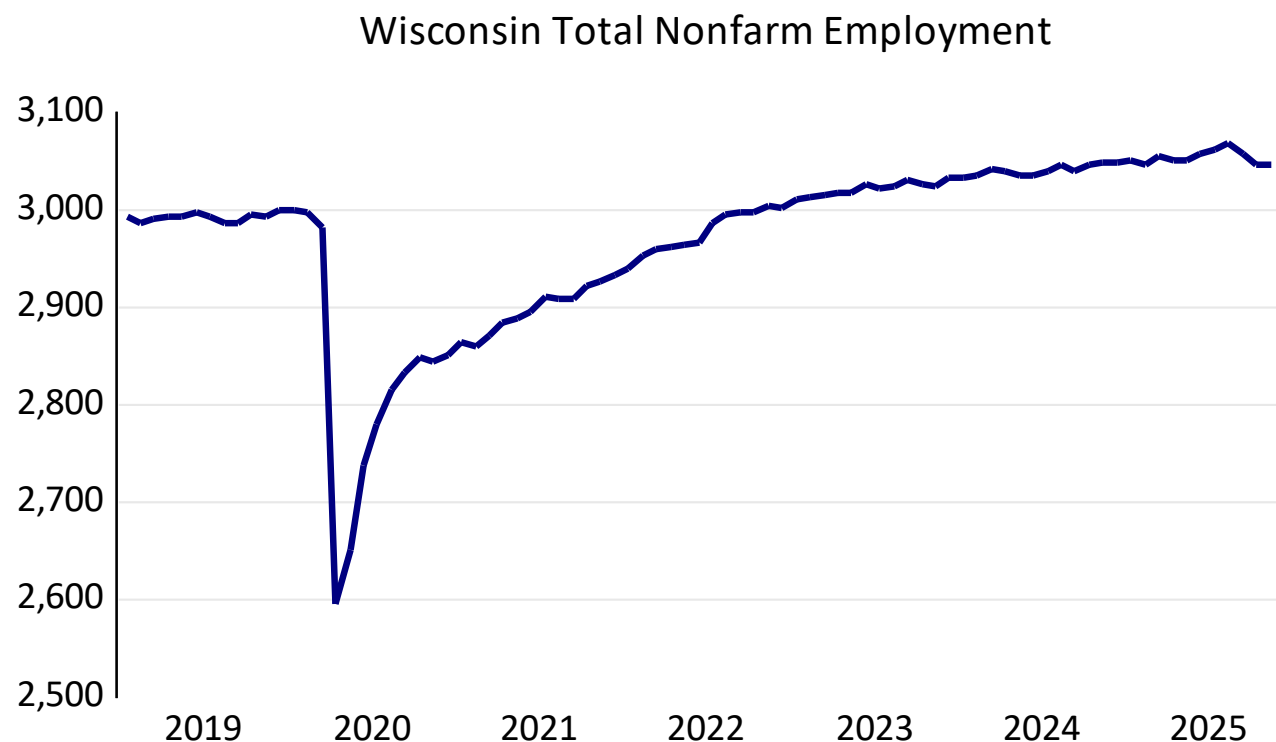
Employment

- By Sector

Exports

WI Employment Nearly Flat in November

Prior two months saw declines



Source: Wisconsin Department of Workforce Development

Wisconsin total nonfarm employment increased by 200 in November after falling by a little more than 10,000 each of the two prior months. Over the past three months, total employment has fallen by 21,200 and private employment by 10,600.

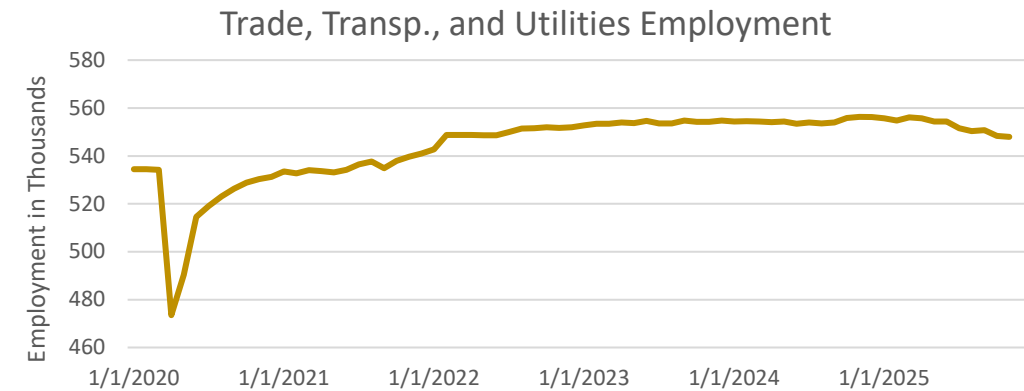
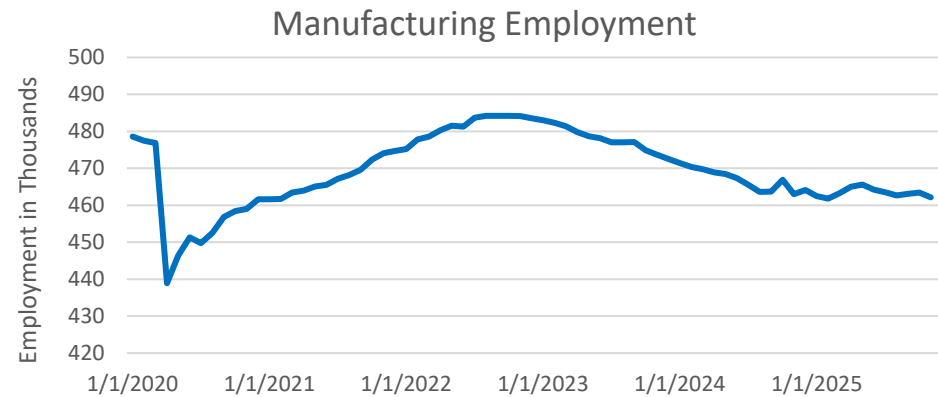
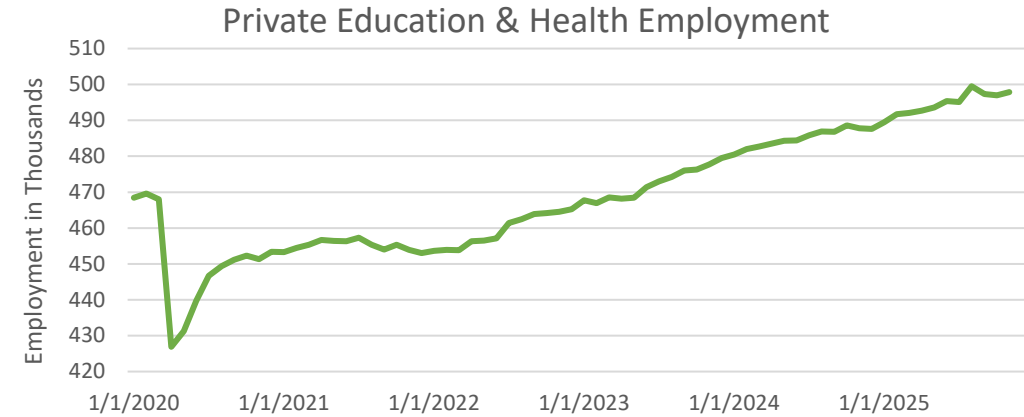
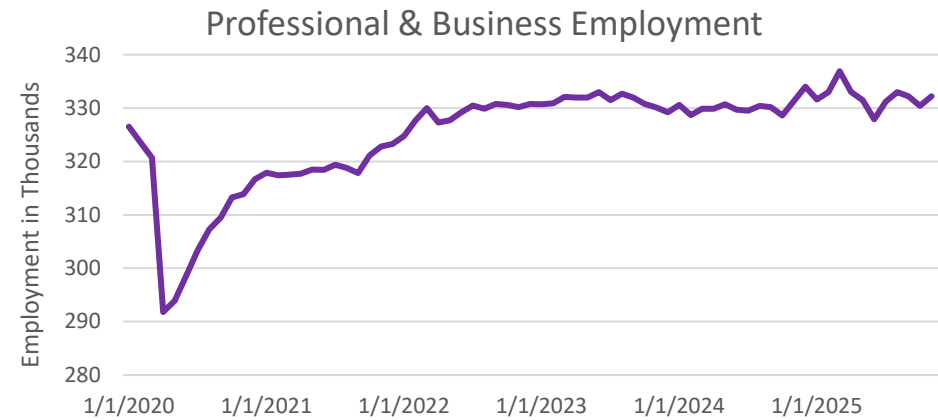
Over the year, Wisconsin employment has fallen by 2,400, a decline of 0.1%. For comparison, national employment has increased 0.6%.

The private education and health sector added 10,100 jobs over the past 12 months, an increase of 2.1%. Of those new jobs, 9,500 were in health & social assistance. Leisure and hospitality employment increased by 5,900 jobs, also a 2.1% increase, over the year.

Government employment has declined by 12,300 jobs over the past year. Of these job losses, 2,400 were in federal government. The trade, transportation, and utilities sector lost 8,400 jobs.

The state unemployment rate was at 3.1% in November, same as in September (no rate is available for October due to the government shutdown), versus a 4.6% rate at the national level. WI's labor force participation rate dipped to 64.1%, down from 64.5% in September and down nearly two percentage points from a year before, when it was at 66.0%.

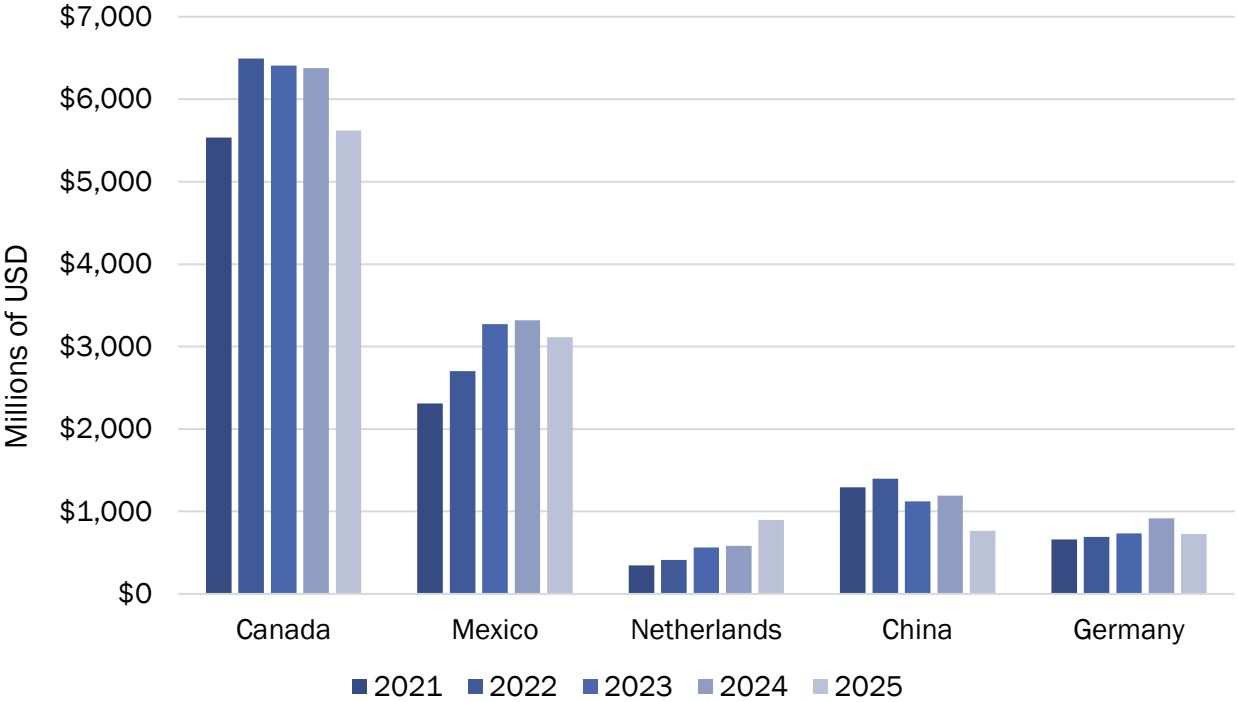
Wisconsin Employment by Sector



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

Exports Declined Through First Nine Months of 2025

Wisconsin's Top Five Export Markets, Jan-Sept



Wisconsin's exports are down 2.9% through the first three quarters of the year, to \$20.6 billion.

Of Wisconsin's top five export destinations, four saw a decline in WI exports. The Netherlands is the only exception, with a 53.7% increase in exports.

Exports to Canada declined 11.8%, while exports to Mexico fell 6.2%. Exports to China declined 35.7%, with the biggest decline in computers and electronic components.

Wisconsin's largest category of exports, machinery, declined 12.1%. Meanwhile exports of computers and electronics increased 18.9% (including large increases to the Netherlands and Singapore) and exports of chemicals increased 6.1%. Transportation equipment exports declined 19.0%.

Processed food exports were flat, and agricultural exports were down 25.7%.

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

U.S. Updates

U.S. Employment

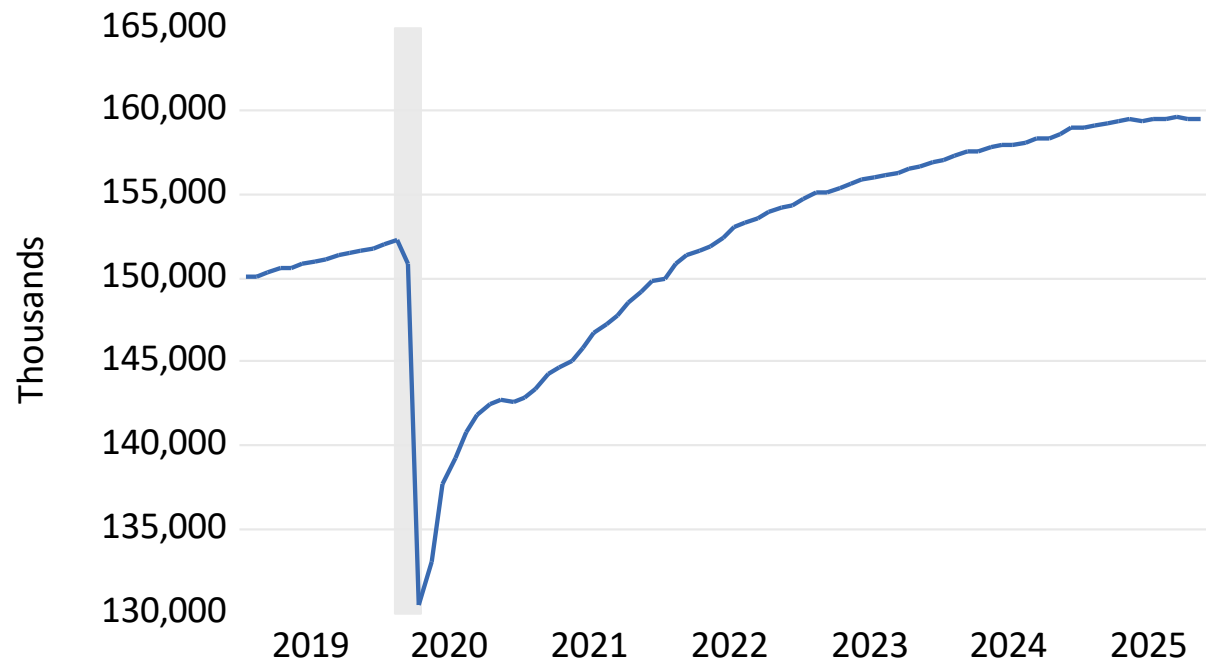
Consumer Price Index

State Coincident Indexes

U.S. Added 64,000 Jobs in November

Employment down by 105,000 in October; Unemployment rate up to 4.6%

U.S. Total Nonfarm Employment



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

Total nonfarm payroll employment changed little in November (+64,000) after losing jobs (-105,000) in October and has shown little net change since April, the U.S. Bureau of Labor Statistics reported. In November, the unemployment rate, at 4.6%, was little changed from September but was up from 4.2% a year ago and 4.0% in January.

In November, health care added 46,000 jobs. Over the month, job gains occurred in ambulatory health care services (+24,000), hospitals (+11,000), and nursing and residential care facilities (+11,000).

Construction employment grew by 28,000 in November, as nonresidential specialty trade contractors added 19,000 jobs.

Employment in social assistance continued to trend up in November (+18,000), primarily in individual and family services (+13,000).

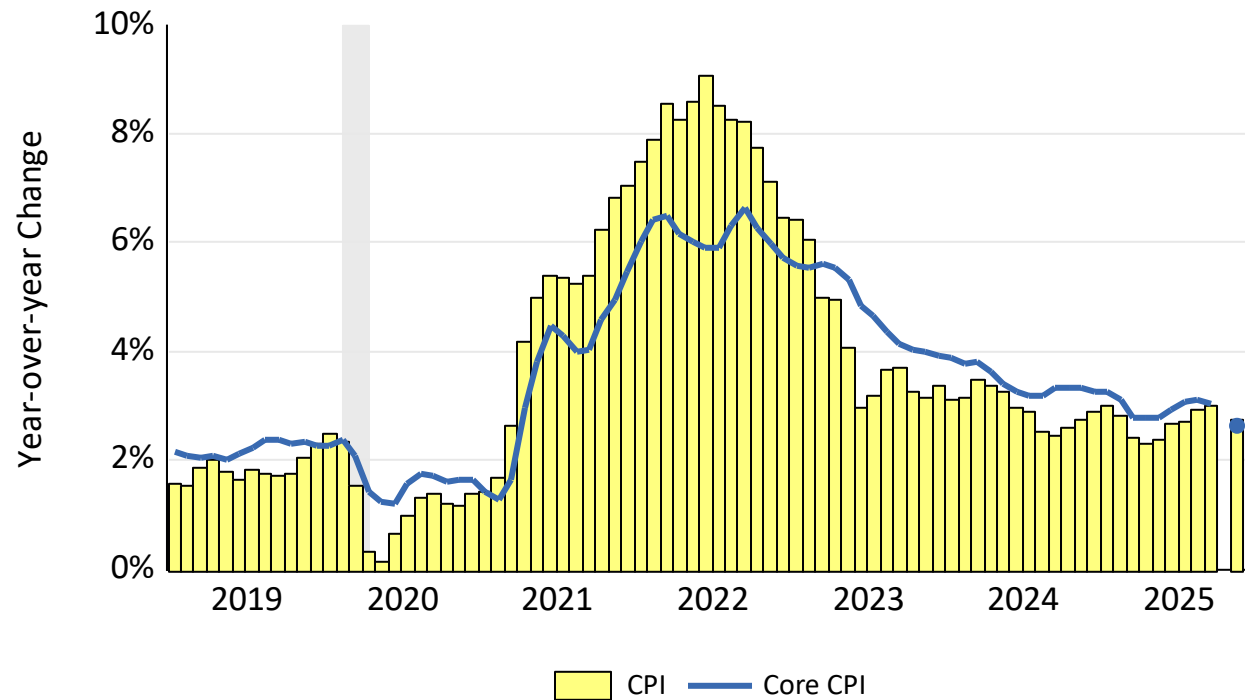
In November, employment edged down in transportation and warehousing (-18,000), reflecting a job loss in couriers and messengers (-18,000). Transportation and warehousing employment has declined by 78,000 since reaching a peak in February.

Federal government employment continued to decrease in November (-6,000). This follows a sharp decline of 162,000 in October, as some federal employees who accepted a deferred resignation offer came off federal payrolls. Federal government employment is down by 271,000 since reaching a peak in January.

The December employment report will be released Friday, January 9. Expectations are for an increase of 55,000 jobs.

Annual Consumer Price Increases Slowed to 2.7% in November

Consumer Price Index (CPI)



Source: U.S. Bureau of Labor Statistics

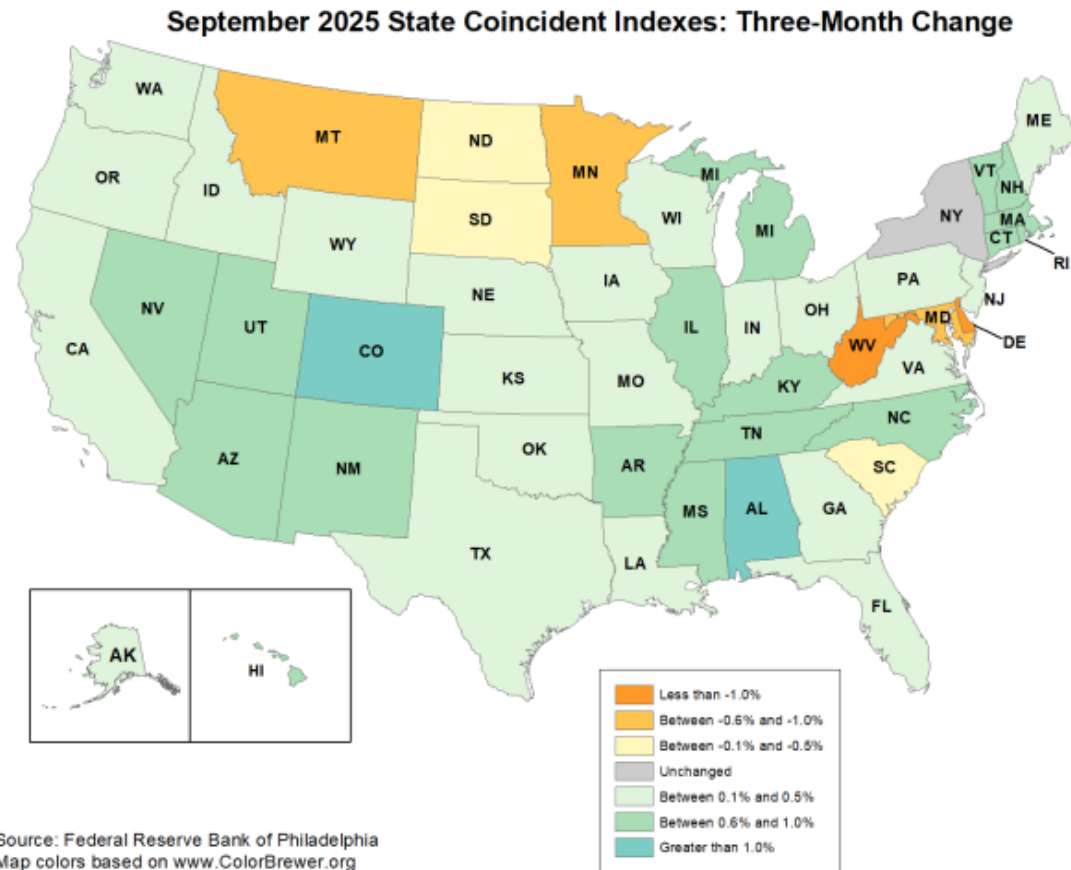
The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2% on a seasonally adjusted basis over the 2 months from September 2025 to November 2025, the U.S. Bureau of Labor Statistics reported. Over the last 12 months, the all items index increased 2.7% before seasonal adjustment. BLS did not collect survey data for October 2025 due to a lapse in appropriations.

The seasonally adjusted core index, which excludes food and energy, also rose 0.2% over the 2 months ending in November.

From September to November, the index for shelter increased 0.2%. The energy index rose 1.1% over the same 2-month period and the food index increased 0.1%. Other indexes which increased over the 2 months ending in November include household furnishings and operations, communication, and personal care. In contrast, the indexes for lodging away from home, recreation, and apparel decreased over the same 2-month period.

The all items index rose 2.7% for the 12 months ending November, after rising 3.0% over the 12 months ending September. The core index rose 2.6% over the last 12 months. The energy index increased 4.2% for the 12 months ending November, while the food index increased 2.6% over the last year.

Coincident Index Rose in 41 States



The Federal Reserve Bank of Philadelphia's coincident indexes for September 2025 increased in 41 states, decreased in eight states, and remained stable in one, for a three-month diffusion index of 66.

Additionally, in the past month, the indexes increased in 31 states, decreased in 12 states, and remained stable in seven, for a one-month diffusion index of 38.

The Philadelphia Fed's Index for Wisconsin increased 0.5% over the past three months but showed no change in September.

The Philadelphia Fed's U.S. index increased 0.4% over the past three months and 0.1% in September.

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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