Monthly Economic Update

SEPTEMBER 2026, FEATURING AUGUST EMPLOYMENT DATA

WISCONSIN DEPARTMENT OF REVENUE

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

Wisconsin Updates

Employment (August 2026)
- Sectors

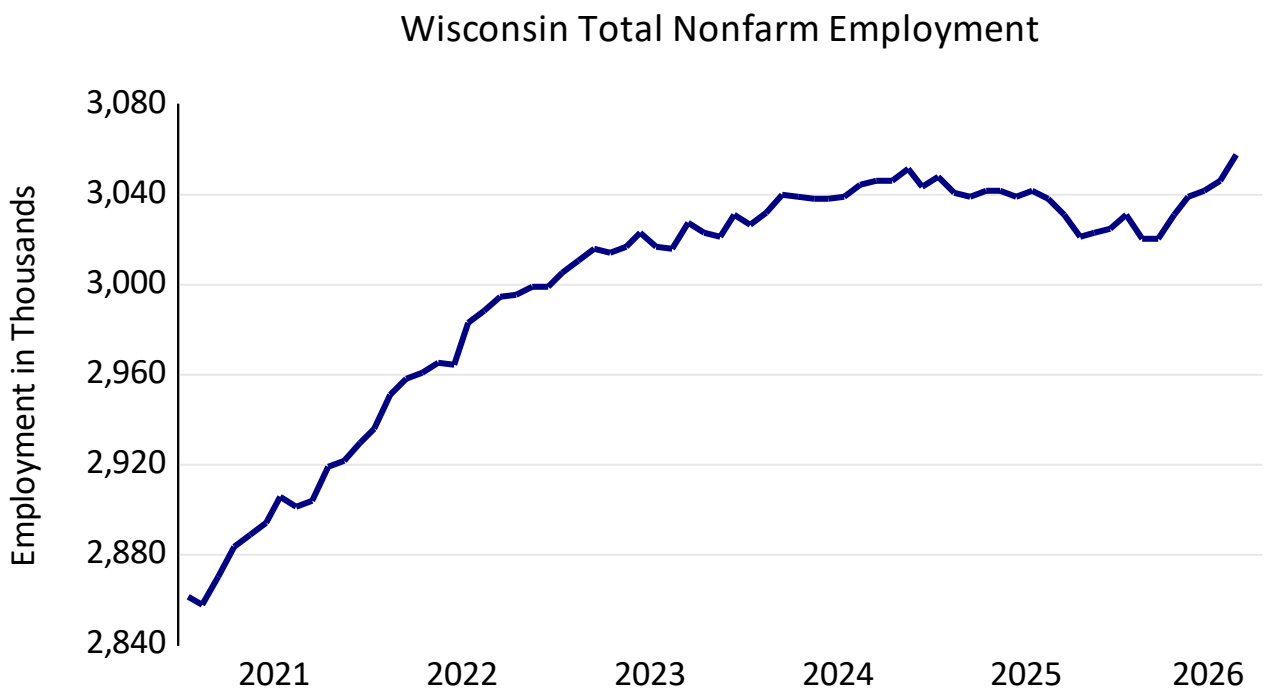
Housing Permits

FY26 Final Tax Revenues

Exports

Wisconsin Added 11,800 Jobs in August

Unemployment Rate at 3.2%



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

Wisconsin total nonfarm employment increased by 11,800 in August. Private sector employment increased by 5,600 while government employment, nearly all in local government, increased by 6,200.

The average three-month change in employment, a more stable measure, was at 6,200 in August, with 3,500 jobs added on average in the private sector and 2,700 in government.

Compared to the prior year, employment was up by 19,400, an increase of 0.6%. This is the fastest growth since early 2025 and faster than the U.S. increase of 0.4%. This data is subject to revisions, however, and it is likely the Wisconsin employment will be smoothed to show a smaller drop in 2025 and a smaller increase over the summer.

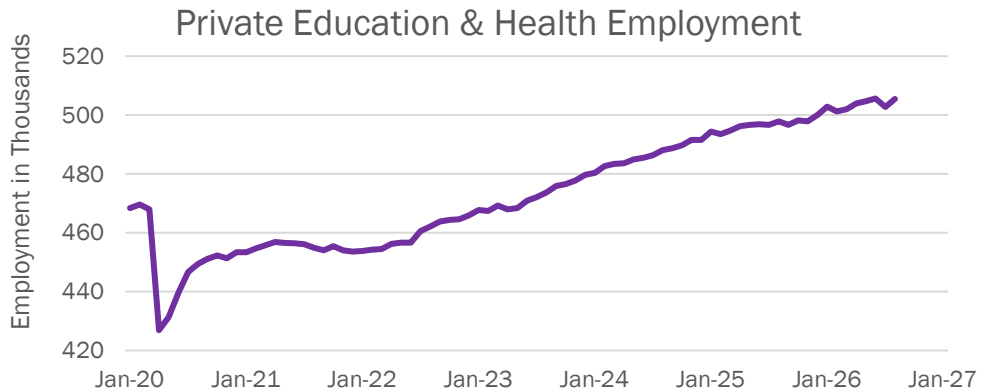
Over the past three months, the professional and business sector added an average of 1,800 jobs, while construction added 900 and manufacturing added 700 jobs. The financial activities sector lost an overage of 400 jobs.

Wisconsin's unemployment rate fell to 3.2% in August, down a tenth of a percentage point from July. This is below the nation's unemployment rate of 4.1%.

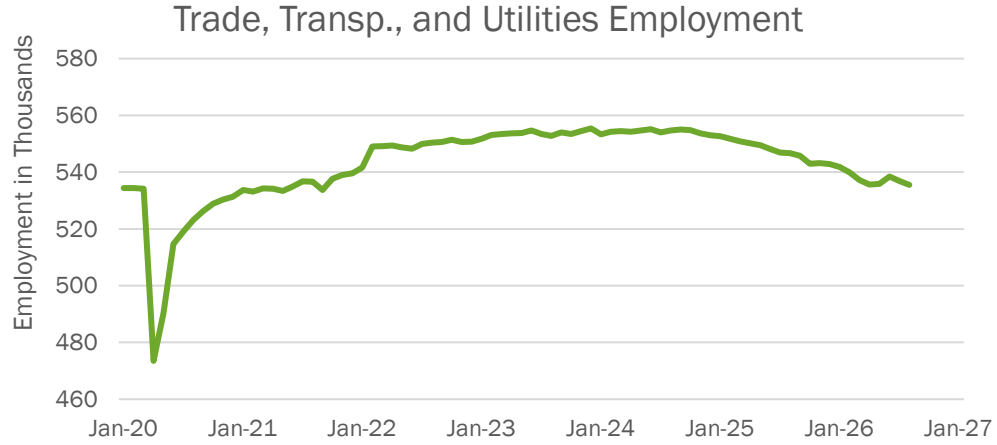
The state's labor force participation rate (LFPR) inched up to 64.7% in August, from 64.5% in July. The nation's LFPR was at 61.6%

Wisconsin Employment by Sector



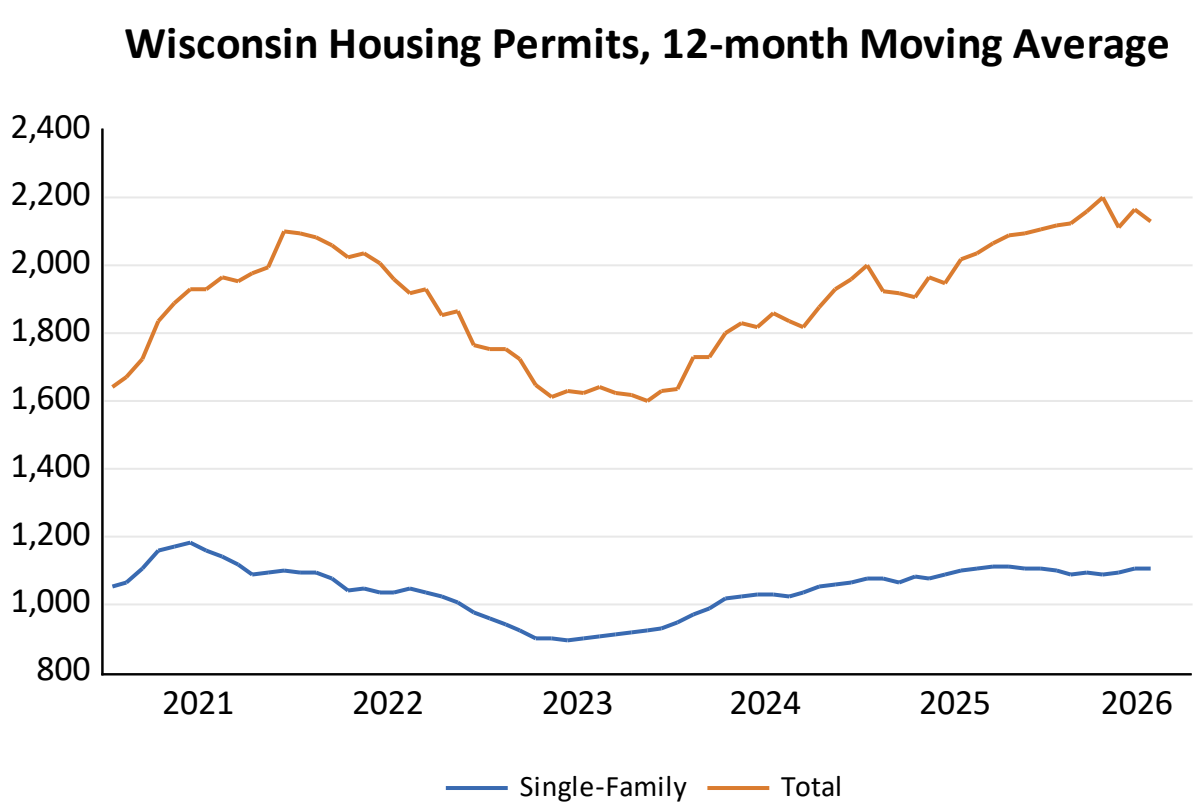






Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

Wisconsin Housing Permits Up in 2026



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

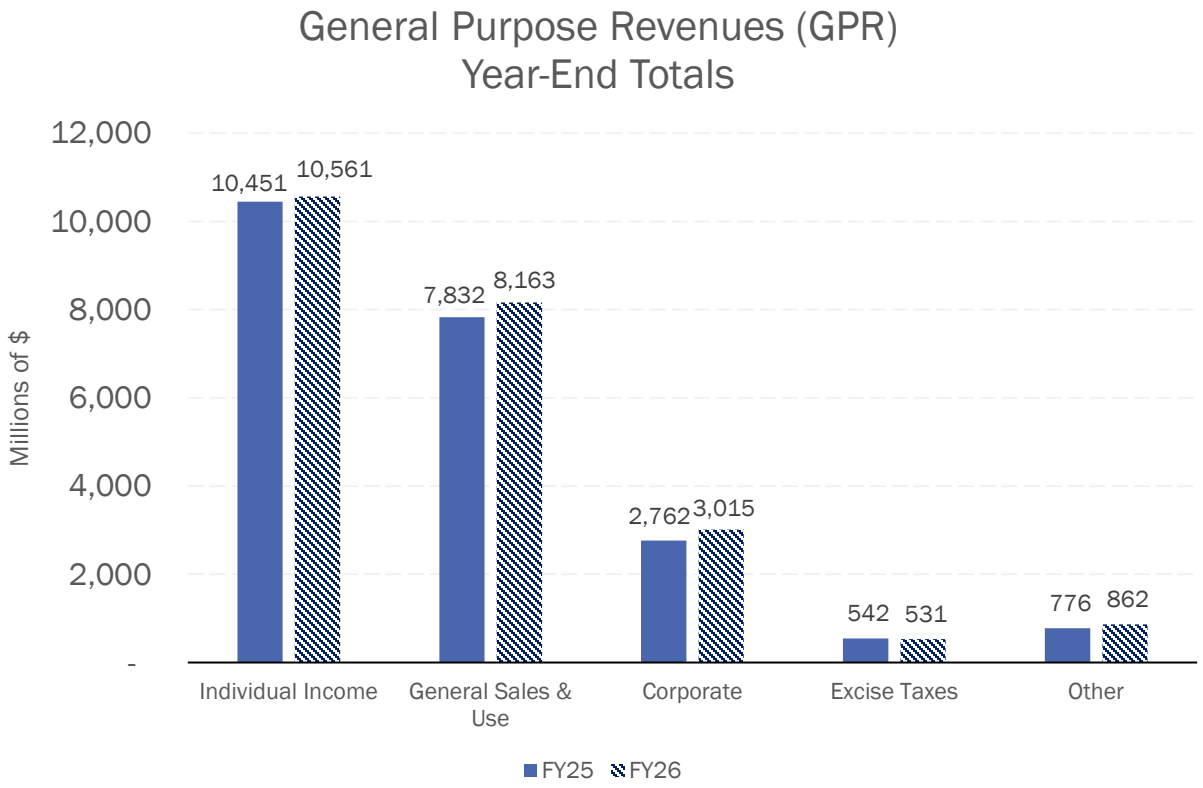
Wisconsin's housing permits have increased through the first seven months of 2026, up 2.0% since the same time last year.

This follows an increase of 7.4% in 2025.

Single-family permits, which make up about half the market, are up 0.6%. They increased 3.4% in 2025.

Nationally, permits are falling. Total permits have declined 1.2% so far in 2026 after falling 3.0% in 2025. Single-family permits are also declining at the national level, down 4.1% so far in 2026 after a drop of 6.8% in 2025.

FY26 General Purpose Revenues Totaled $23.1 Billion



Source: Wisconsin Department of Revenue

Wisconsin ended fiscal year 2026 (FY26) with General Purpose Revenues (GPR) 3.4% higher than the prior year, at $23.1 billion.

Revenues were $450.8 million, or 2.0%, above the forecast for the fiscal year.

The largest source of revenues, individual income taxes, increased 1.1% to $10.6 billion and were $231 million above the forecast. Individual income taxes were impacted by large tax cuts in FY26.

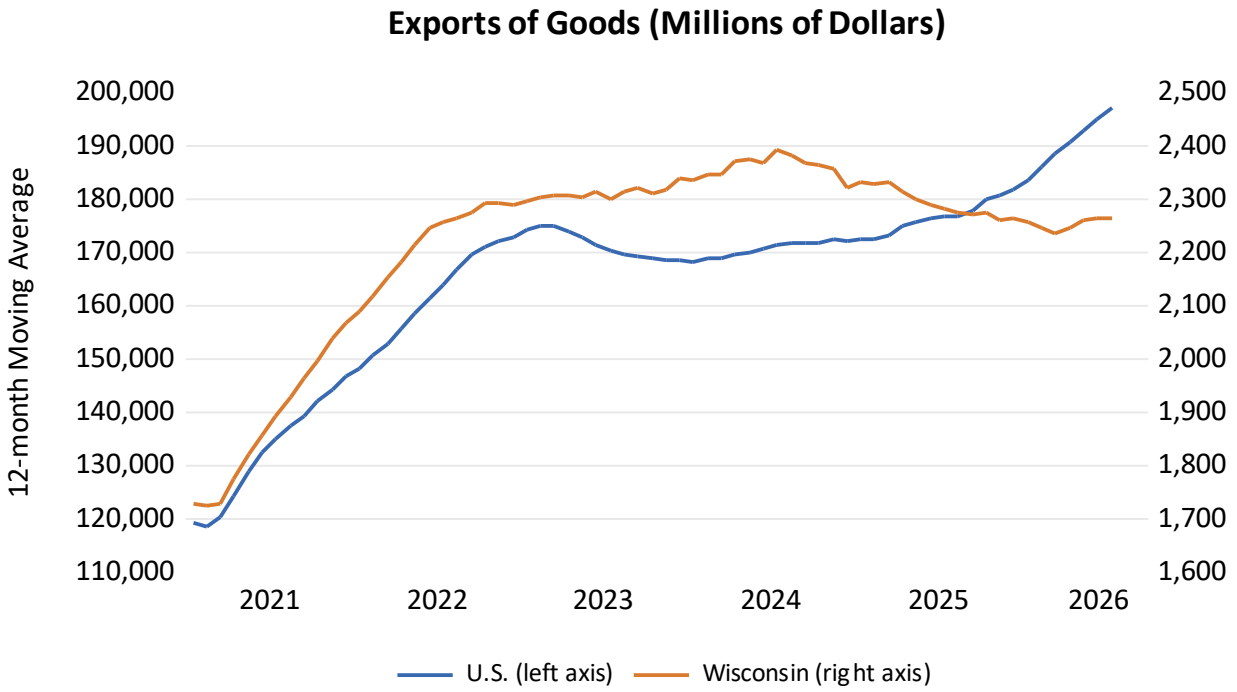
Sales tax revenues, the second largest source of GPR, increased 4.2% to $8.2 billion and were $80 million higher than expected.

Corporate tax revenues increased 9.2% and $3.0 billion were $84 million above the forecast.

Excise taxes and other tax types also came in above the forecast.

These are preliminary figures for the fiscal year. Final numbers will be released by the Department of Administration on Oct 15th.

Wisconsin Exports Flat Through First Seven Months of 2026



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

Wisconsin's exports have been nearly flat through the first seven months of 2026, down 0.1% to $16.1 billion. This is after a decline in 2025.

The U.S., however, is seeing an increase in exports in 2026, up 14.5% through the first seven months of the year.

Wisconsin's exports to Canada, its largest trading partner at 28.4% of total exports, rose 2.9% to $4.6 billion. Meanwhile exports to Mexico, its second largest trading partner, increased 7.3% to $2.6 billion. Exports to the next two largest destinations, China and Germany, declined so far in 2026, down 7.9% and 4.6%, respectively. Exports to South Korea were up 35.6%.

Exports of Wisconsin's two largest export categories declined: Machinery exports fell 3.6%, to $2.9 billion, while computer & electronic product exports declined 17.1% to $2.5 billion. Meanwhile, exports of transportation equipment grew 12.2% and chemicals increased 7.4%. Processed foods exports are down 1.1%.

The discrepancy between Wisconsin and the U.S.'s exports are rooted in their mix of exports and destinations. About one-fifth of the nation's growth in exports is in oil and gas exports, which Wisconsin produces very little of.

U.S. Updates

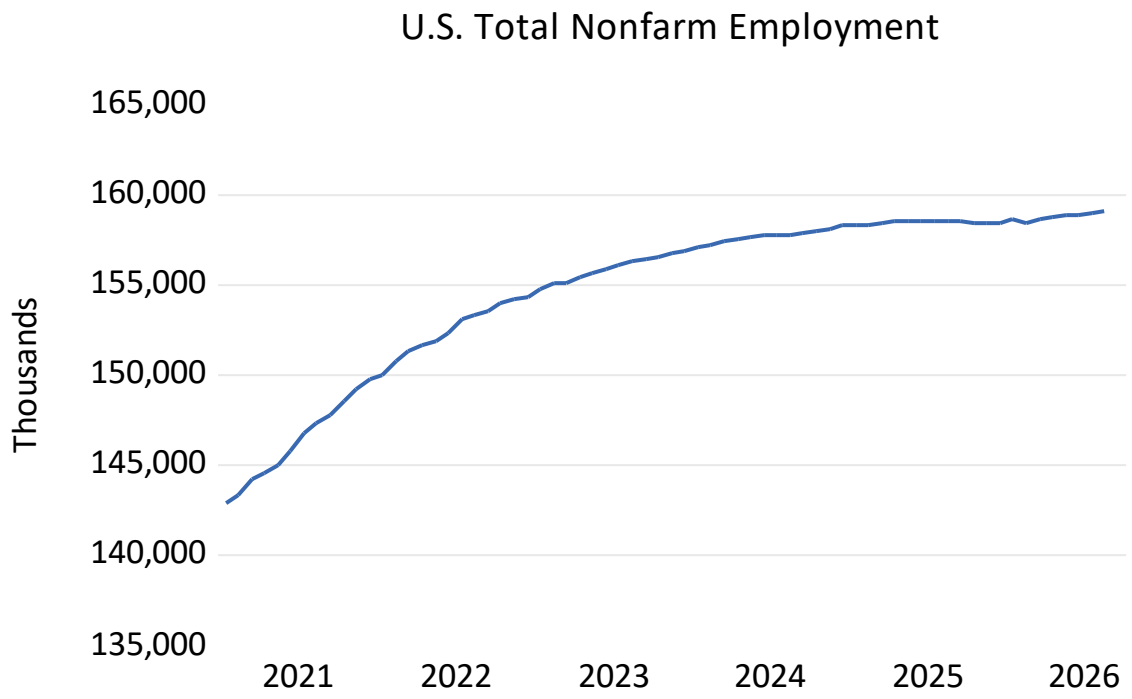
U.S. Employment (August 2026)

Consumer Price Index

Consumer Sentiment

U.S. Employment Up by 162,000 in August

Unemployment rate steady at 4.1%



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

Total nonfarm payroll employment increased by 162,000 in August, and the unemployment rate was unchanged at 4.1%. Compared to the prior year, employment is up by 0.4%, an increase of 603,000.

Employment in food services and drinking places increased by 59,000 in August. Local government education added 42,000 jobs in August, largely offsetting a decrease in the prior month.

In August, employment in manufacturing continued its upward trend (+16,000) and is up by 58,000 since a recent low in December 2025. Employment in machinery manufacturing (+6,000) and in fabricated metal product manufacturing (+6,000) continued trending up in August.

Employment in health care added 13,000 jobs in August. Over the month, home health care services (+11,000) and hospitals (+8,000) added jobs.

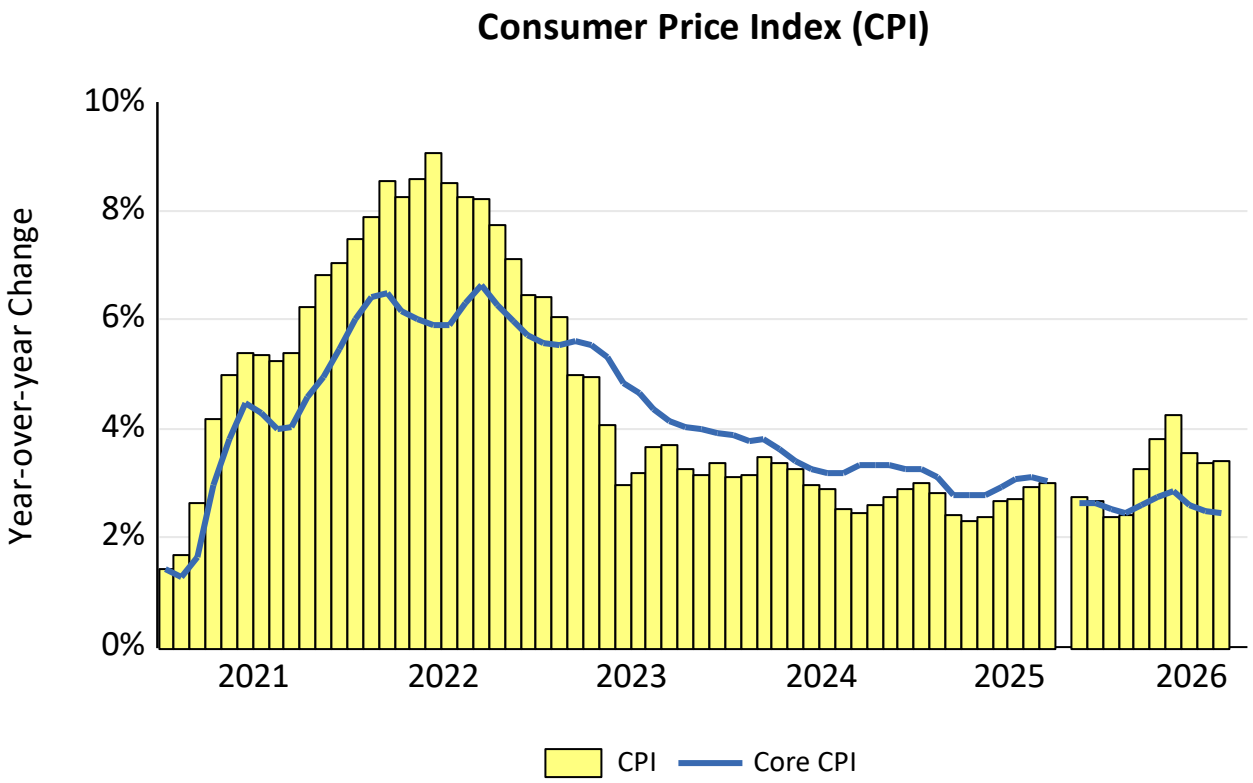
Information employment declined by 23,000 in August, following losses that had averaged 8,000 per month over the prior 12 months.

Employment for June and July were revised up a combined 55,000 higher than previously reported.

In August, average hourly earnings for all employees on private nonfarm payrolls rose by 10 cents, or 0.3%, to $37.75. Over the year, average hourly earnings have increased by 3.1%, slower than the rise in prices, meaning real wages fell. The average workweek for all employees on private nonfarm payrolls edged up by 0.1 hour to 34.4 hours in August.

Consumer Prices Up 0.4% in August

Prices up 3.4% over past year



Source: U.S. Bureau of Labor Statistics

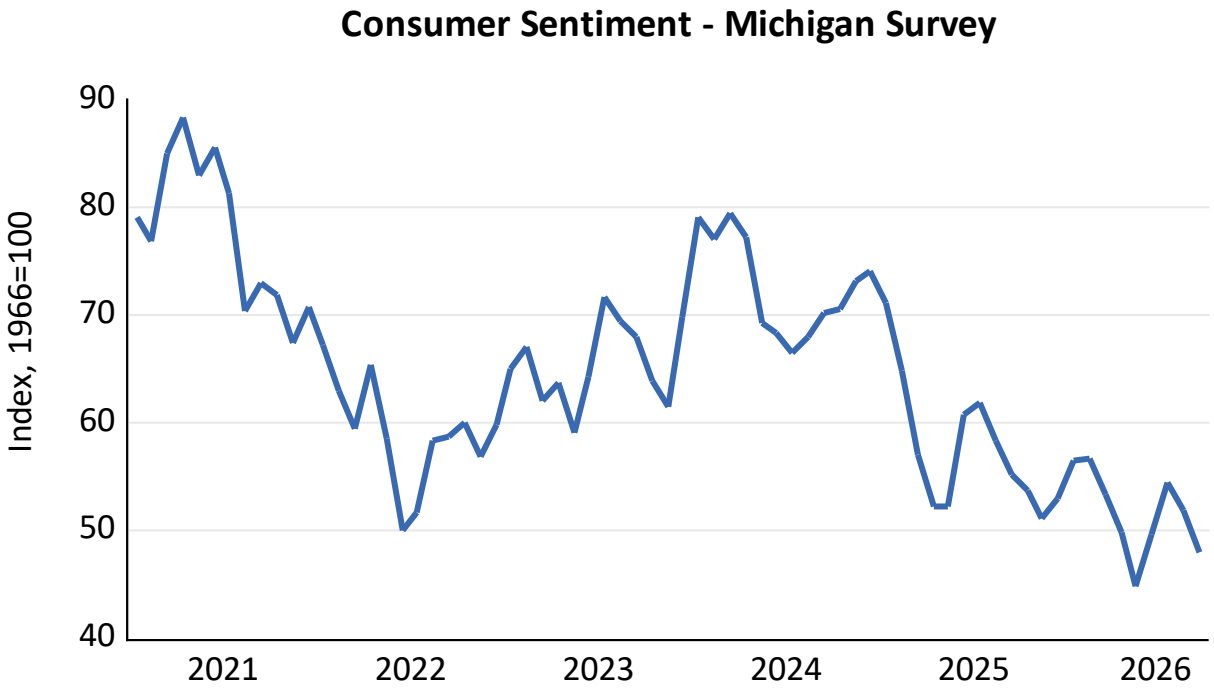
The Consumer Price Index (CPI) for All Urban Consumers increased 0.4% on a seasonally adjusted basis in August, after rising 0.1% in July. Over the last 12 months, the CPI increased 3.4% before seasonal adjustment.

The index for gasoline rose 3.9% in August, accounting for over one third of the monthly all items increase. The index for energy increased 2.1% over the month. The shelter index rose 0.3% in August after rising 0.1% in July. The index for food increased 0.1% over the month, as the index for food away from home increased 0.3%.

The core CPI, which excludes food and energy, rose 0.3% after increasing 0.2% in July. Indexes that increased over the month include communication, lodging away from home, airline fares, education, and used cars and trucks. Conversely, the index for medical care and the index for motor vehicle insurance were among the major indexes that decreased in August.

The CPI rose 3.4% for the 12 months ending August as it did for the 12 months ending July. The core CPI rose 2.4% over the year, following a 2.5% increase over the 12 months ending July. The energy index increased 16.3% over the last year, while the food index increased 2.7%.

Consumer Sentiment Dips Below 50 Again in Early September



Source: University of Michigan, Surveys of Consumers

Consumer sentiment, as measured by the Michigan Surveys of Consumers, fell further in early September.

The index fell 7.5% in September, to 47.8, from 51.7 in August. It is 13.2% below last years' level.

The index of current economic conditions fell to 50.9, down 1.9% from last month and down 15.7% from last year.

The index of consumer expectations fell to 45.8, down 11.1% since last month and 11.4% below last year.

Inflation fears increased, with year-ahead inflation expectations up from 4.0% inflation in August to 4.6% this month.

This survey is tightly linked to gas prices, which have moved higher in recent weeks. Mentions of tariffs also increased in September, to 35.9% of respondents.

The report notes that current consumer sentiment is down 16% since the start of the Iran conflict in February.

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