
Metro Milwaukee Economic Trends

August 2021

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August Economic Trends

A majority of business activity indicators for metro Milwaukee moved forward in August as 17 of 22 available indicators improved over year-ago levels, according to a monthly report by the Metropolitan Milwaukee Association of Commerce (MMAC.) August's total is down from the 19 positive indicators registered in July.

“Both the aggregate count of improved indicators and the overall growth trend in metro area job levels suggest that the recovery's momentum has slowed in recent months but progress continues,” said Bret Mayborne, the MMAC's economic research director. “Among major industry sectors, four of 10 such sectors have now surpassed March 2020 pre-pandemic job levels. Caution should be taken on this measure because seasonal effects are not accounted for. Nonetheless, overall with seasonal adjustment, the metro area has recovered approximately 68% of nonfarm employment lost at the recession's start.”

Highlights of the data include:

- Metro area jobs averaged 840,800 in August, up 2.6% from year-ago levels. August's growth marks the fifth consecutive month of year-over-year gain but ranks below July's 3.9% gain and is the slowest percentage job growth posted in this five-month period.
- Six of 10 major industry sectors posted year-over-year job increases in August. Among the gainers, the leisure & hospitality sector continues to post the strongest growth (up 15.7%) against weak year-ago numbers. Among those with declines, the financial activity sector registered the weakest year-over-year trend (down 6.1%.)
- The metro area's seasonally unadjusted unemployment rate for August was 4.9%, down modestly from July's 5% rate and 2.3 percentage points below year-ago levels. Wisconsin's August rate ranked lower at 4% while the U.S. rate ranked higher at 5.3%.
- Manufacturing jobs in the metro area rose 7.2% in August vs. one year ago, a net increase of 8,000 jobs in this twelve-month period. August's increase was the fifth consecutive year-over-year gain for this sector.
- Earnings indicators for manufacturing production workers posted healthy August gains. Average weekly earnings for such workers increased 9.1% (to \$987) vs. one year ago while average hourly earnings rose 8% (to \$24.62.) Both increases surpassed consumer price inflation nationally over the same time period (up 5.3%). The workweek length for manufacturing production workers rose 1% in August vs. one year ago to 40.1 hours.
- Strong gains continued in passenger totals at Mitchell International Airport. Passenger levels reached 452,134 in August, a 133.6% rise over year-ago levels. Year-to-date passenger totals through 2021's first eight months have already surpassed the 12-month totals for 2020.
- The trend in metro area new-car registrations has struggled to gain traction through 2021's first eight months. Registrations have declined year-over-year in five of this year's first eight months. For August, registrations fell 26.4% vs. year-ago levels to 934.
- Both local housing and real estate indicators remain positive. Metro area existing homes sold increased 2.4% in August to 1,970. Mortgages recorded in Milwaukee County numbered 3,817 for the month, up 12.9% from one year ago.

Note

Seasonally unadjusted data is used in this analysis thus month-over-month job changes may be due to seasonal effects. A truer month-to-month trend is captured in seasonally adjusted data. Unfortunately for most metro areas the breadth of employment and unemployment data from the U.S. Bureau of Labor Statistics is almost exclusively released in not seasonally adjusted form. Total nonfarm employment is available as a seasonally adjusted series for the metro area.

The seasonally adjusted series showed a loss of 112,400 jobs in April 2020 (vs. March), the beginning of the Covid-19 recession. Since that time, the local economy added back 76,500 jobs cumulatively in the month-over-month record over the May 2020 to August 2021 period or 68% of the initial loss.

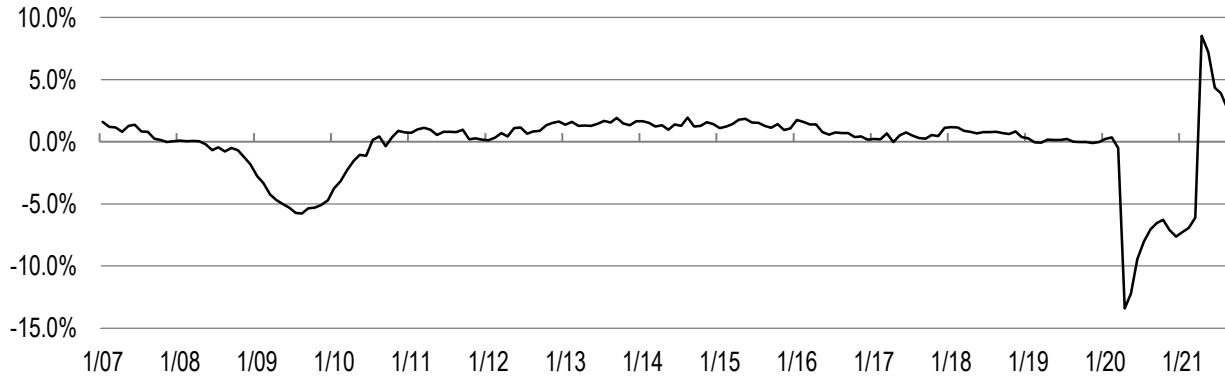
Metropolitan Milwaukee Business Indicators August 2021

	Month	Current month	Previous month	Year ago	% chg. from yr. ago	% chg. prev. month	% chg. year to date (1)
ESTABLISHMENT DATA							
Total nonfarm payroll employment (000)	Aug-21	840.8	840.2	819.1	2.6%	0.1%	0.5%
Construction, mining & natural res. (000)	Aug-21	34.0	32.7	35.2	-3.4%	4.0%	-7.5%
Manufacturing (000)	Aug-21	118.6	118.2	110.6	7.2%	0.3%	1.6%
Trade, transportation, & utilities (000)	Aug-21	145.2	144.9	141.1	2.9%	0.2%	2.1%
Information (000)	Aug-21	12.2	12.2	12.1	0.8%	0.0%	-2.1%
Financial activities (000)	Aug-21	47.6	47.6	50.7	-6.1%	0.0%	-4.1%
Professional & business services (000)	Aug-21	124.2	124.9	116.1	7.0%	-0.6%	4.9%
Education & health services (000)	Aug-21	162.7	165.7	166.8	-2.5%	-1.8%	-1.6%
Leisure & hospitality (000)	Aug-21	75.1	74.2	64.9	15.7%	1.2%	4.0%
Other services, exc. public (000)	Aug-21	45.5	45.7	44.1	3.2%	-0.4%	3.5%
Government (000)	Aug-21	75.7	74.1	77.5	-2.3%	2.2%	-3.6%
LABOR FORCE DATA							
Civilian labor force (000)	Aug-21	832.9	839.5	818.6	1.7%	-0.8%	0.7%
Employed (000)	Aug-21	792.1	797.2	759.9	4.2%	-0.6%	3.8%
Unemployed (000)	Aug-21	40.8	42.3	58.7	-30.5%	-3.5%	-35.0%
Unemployment rate							
Metro Milwaukee	Aug-21	4.9%	5.0%	7.2%	-2.3(4)	-0.1(4)	-2.8(4)
Wisconsin	Aug-21	4.0%	4.1%	5.8%	-1.8(4)	-0.1(4)	-2.9(4)
United States	Aug-21	5.3%	5.7%	8.5%	-3.2(4)	-0.4(4)	-2.8(4)
New unemployment compensation claims	Aug-21	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
HOURS & EARNINGS (mfg. production workers)							
Avg. weekly hours (manuf.)	Aug-21	40.1	40.9	39.7	1.0%	-2.0%	5.0%
Avg. weekly earnings (2)	Aug-21	\$987.26	\$995.92	\$904.76	9.1%	-0.9%	10.7%
Avg. hourly earnings (2)	Aug-21	\$24.62	\$24.35	\$22.79	8.0%	1.1%	5.4%
HOUSING & REAL ESTATE							
Existing homes sold	Aug-21	1,970	2,060	1,924	2.4%	-4.4%	10.5%
Mortgages (number) (3)	Aug-21	3,817	3,618	3,381	12.9%	5.5%	28.1%
TRANSPORTATION							
Airport passengers	Aug-21	452,134	472,422	193,585	133.6%	-4.3%	45.0%
New-car registrations	Aug-21	934	840	1,238	-24.6%	11.2%	0.9%
OTHER INDICATORS (latest available)							
Consumer price index (1982-84=100)							
United States (CPI-U)	Aug-21	273.567	273.003	259.918	5.3%	0.2%	3.9%

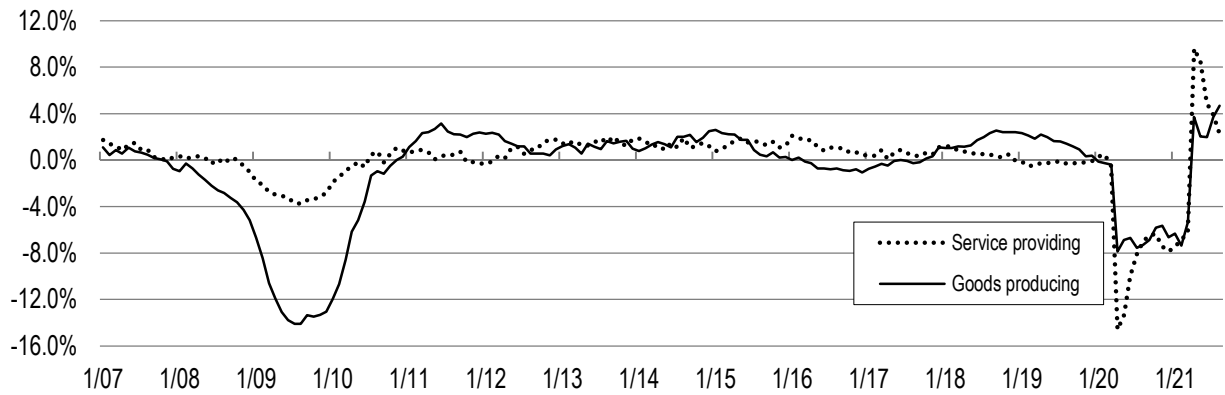
Notes: (1) The average or cumulative figure year-to-date vs. the same total one year ago. (2) Not adjusted for inflation. (3) Milwaukee County only. (4) Percentage point change.
 Figures are not seasonally adjusted except where indicated (SA).
 Figures are for metro Milwaukee (Milwaukee, Ozaukee, Washington & Waukesha counties) except where indicated.

Sources: Wisconsin Dept. of Workforce Development, Multiple Listing Service, Milwaukee County Register of Deeds Office, Mitchell International Airport, Wisconsin Dept. of Transportation, and U.S. Bureau of Labor Statistics.

Nonfarm Employment - Metro Milwaukee
Percent change vs. year-ago levels



Year-over-Year Job Change - Metro Milwaukee
Service providing vs. Goods producing sectors



Year-Over-Year Job Change by Industry - Metro Milwaukee
Percent change August 2020 to August 2021

