
Metro Milwaukee Economic Trends

November 2022

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November Economic Trends

Metro area economic indicators continue to show signs of slowing as less than half of available indicators improved over year-ago levels, according to a monthly report by the Metropolitan Milwaukee Association of Commerce (MMAC.) Ten of 23 available indicators pointed upward in November, down from the 12 positives registered in October.

“A slow pace of economic activity has been evident in recent months, particularly in nonfarm employment, unemployment and housing & real estate indicators,” said Bret Mayborne, MMAC’s Vice President - Economic Research. “For 2022 as a whole, 14 of 23 indicators posted year-to-date gains (11-month averages) – a second consecutive year of solid economic improvement post COVID-19. Nonetheless the likelihood of this growth pattern continuing into 2023 is uncertain.”

Highlights of the data include:

- Nonfarm job growth continues in the metro area, with employment up 0.8% in November vs. year-ago levels, to 846,700. While this marks the 20th consecutive month of year-over-year growth, November’s gain ranks below the 1.4% year-to-date average growth over 2022’s first 11 months.
- Job growth by major industry sector was mixed. Five sectors showed year-over-year growth in November and five registered declines. Professional & business services recorded the strongest percentage increase, up 5.3% over November 2022 while the financial activities posted the largest year-over-year decline, down 5.4%.
- Year-over-year improvement in unemployment has largely flattened in recent months. November’s 3% seasonally unadjusted unemployment rate rose marginally – up 0.1 percentage points from one year ago – its first increase in 20 months. November’s local unemployment rate ranks under the 3.4% rate posted nationally.
- Earnings growth for manufacturing production workers remain strongly positive. Average hourly earnings rose 19.6% vs. year-ago levels, to \$29.83 while average weekly earnings increased 17.1%, to \$1,137.
- New-car registrations in the metro area rose at a double-digit rate for the second consecutive month. November’s 10.1% increase over one year ago (to 719) nearly matched the 10.5% growth posted in October.
- Robust declines continue in local housing and real estate indicators. Mortgages recorded in Milwaukee County numbered 1,862 in November, down 42% from one year ago and the smallest number of mortgages registered since March 2019. Metro area existing homes sold fell 30.8% vs. one year ago, its eighth consecutive year-over-year decline.

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 113,800 jobs in April 2020 (vs. March), the beginning of the Covid-19 recession. Since that time, the local economy added back 85,800 jobs cumulatively in the month-over-month record over the May 2020 to November 2022 period or 75% of the initial loss.

Metropolitan Milwaukee Business Indicators November 2022

| | 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) | Nov-22 | 846.7 | 850.1 | 839.6 | 0.8% | -0.4% | 1.4% |
| Construction, mining & natural res. (000) | Nov-22 | 36.4 | 38.4 | 36.7 | -0.8% | -5.2% | 4.2% |
| Manufacturing (000) | Nov-22 | 113.6 | 113.4 | 112.6 | 0.9% | 0.2% | 1.8% |
| Trade, transportation, & utilities (000) | Nov-22 | 152.1 | 151.4 | 147.0 | 3.5% | 0.5% | 3.1% |
| Information (000) | Nov-22 | 12.6 | 12.4 | 12.2 | 3.3% | 1.6% | 0.7% |
| Financial activities (000) | Nov-22 | 47.4 | 47.9 | 50.1 | -5.4% | -1.0% | -4.6% |
| Professional & business services (000) | Nov-22 | 123.1 | 125.8 | 116.9 | 5.3% | -2.1% | 3.8% |
| Education & health services (000) | Nov-22 | 165.5 | 164.9 | 167.2 | -1.0% | 0.4% | -2.1% |
| Leisure & hospitality (000) | Nov-22 | 70.7 | 72.1 | 72.9 | -3.0% | -1.9% | 7.5% |
| Other services, exc. public (000) | Nov-22 | 42.4 | 42.3 | 42.5 | -0.2% | 0.2% | -1.1% |
| Government (000) | Nov-22 | 82.9 | 81.5 | 81.5 | 1.7% | 1.7% | 0.6% |
| LABOR FORCE DATA | | | | | | | |
| Civilian labor force (000) | Nov-22 | 800.3 | 807.5 | 824.8 | -3.0% | -0.9% | -0.8% |
| Employed (000) | Nov-22 | 776.5 | 780.7 | 800.8 | -3.0% | -0.5% | 0.3% |
| Unemployed (000) | Nov-22 | 23.8 | 26.9 | 24.0 | -0.8% | -11.5% | -22.4% |
| Unemployment rate | | | | | | | |
| Metro Milwaukee | Nov-22 | 3.0% | 3.3% | 2.9% | 0.1(4) | -0.3(4) | -1.0(4) |
| Wisconsin | Nov-22 | 2.6% | 2.8% | 2.4% | 0.2(4) | -0.2(4) | -0.8(4) |
| United States | Nov-22 | 3.4% | 3.4% | 3.9% | -0.5(4) | 0.0(4) | -1.8(4) |
| New unemployment compensation claims | Nov-22 | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| HOURS & EARNINGS (mfg. production workers) | | | | | | | |
| Avg. weekly hours (manuf.) | Nov-22 | 38.1 | 37.4 | 38.9 | -2.1% | 1.9% | -10.6% |
| Avg. weekly earnings (2) | Nov-22 | \$1,136.52 | \$1,109.66 | \$970.17 | 17.1% | 2.4% | 4.6% |
| Avg. hourly earnings (2) | Nov-22 | \$29.83 | \$29.67 | \$24.94 | 19.6% | 0.5% | 16.9% |
| HOUSING & REAL ESTATE | | | | | | | |
| Existing homes sold | Nov-22 | 1,106 | 1,218 | 1,598 | -30.8% | -9.2% | -13.0% |
| Mortgages (number) (3) | Nov-22 | 1,862 | 2,092 | 3,210 | -42.0% | -11.0% | -31.9% |
| TRANSPORTATION | | | | | | | |
| Airport passengers | Nov-22 | 447,855 | 481,375 | 448,189 | -0.1% | -7.0% | 23.3% |
| New-car registrations | Nov-22 | 719 | 845 | 653 | 10.1% | -14.9% | -16.2% |
| OTHER INDICATORS (latest available) | | | | | | | |
| Consumer price index (1982-84=100) | | | | | | | |
| United States (CPI-U) | Nov-22 | 297.711 | 298.012 | 277.948 | 7.1% | -0.1% | 8.1% |

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.

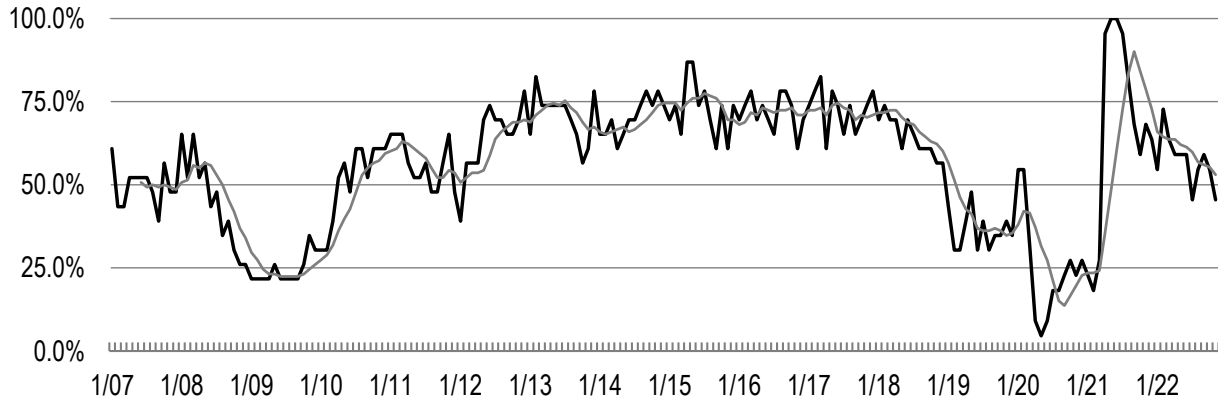
Figures are not seasonally adjusted except where indicated (SA).

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. Dept. of Labor

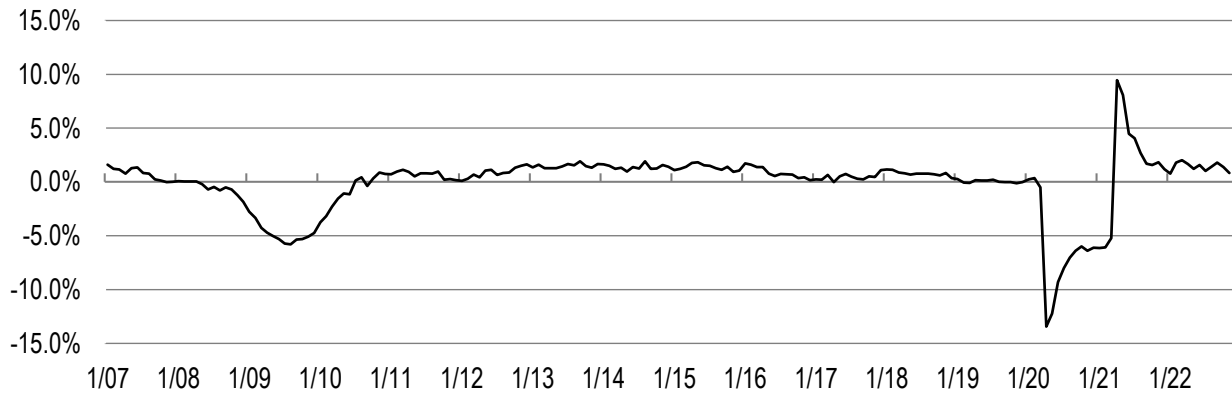
Metro Milwaukee Monthly Indicators Diffusion Index

Percentage of available monthly indicators (23) with year-over-year improvement



Nonfarm Employment - Metro Milwaukee

Percent change vs. year-ago levels



Year-Over-Year Job Change by Industry - Metro Milwaukee

Percent change November 2021 to November 2022

