
Metro Milwaukee Economic Trends September 2015

Prepared by:
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Metropolitan Milwaukee Association of Commerce

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September Economic Trends

Milwaukee area business activity indicators slowed in September as thirteen of 23 monthly indicators registered improvement vs. year-ago levels, according to a report issued by the Metropolitan Milwaukee Association of Commerce (MMAC). September's total is down from the August's 14 upward pointing indicators and the 17 positives posted as recently as May.

“Metro Milwaukee’s local economic trend has fallen into a bit of a lull,” said Bret Mayborne, the MMAC’s economic research director. “While a majority of indicators are still pointing upward, the absolute number of positives has fallen to its smallest number in over three years (since February, 2012).”

Highlights of the report include:

- Nonfarm jobs in the metro area rose at a 1.1% pace in September vs. year-ago levels, this indicator’s 60th consecutive month of year-over-year gain. Local employment growth is down slightly from August’s 1.3% gain (vs. August, 2014).
- Among major industry sectors, the education & health services sector registered the strongest year-over-year percentage increase, up 4.5%. Conversely, the other services sector posted the largest job decline, down 3.5% from one year ago.
- Air passenger usage of Mitchell International rose 2.1% in September vs. year- ago levels. This marks this indicator’s third month of year-over-year increase in passengers over the past 12 months.

Significant declines were posted in area unemployment indicators. New unemployment compensation claims in the metro area fell 13.9% in September vs. year-ago levels to 3,447 while the number of unemployed dropped 24.2%, an absolute decline of 10,800.

As a result, metro Milwaukee’s seasonally unadjusted unemployment rate fell 1.3 percentage points from year-ago levels, to 4.1% in September, the lowest unemployment rate posted in nearly 15 years (since December, 2000). Milwaukee’s rate ranks lower than the 4.9% rate posted nationally but higher than Wisconsin’s 3.6% rate.

Indicators: September, 2015 vs. September, 2014

The metro area added 9,100 nonfarm jobs in the past 12 months, pushing job levels to 858,800 in September. September’s increase matches the average gain posted over the 2015’s first nine months but is under the 1.3% and 1.8% increases recorded in August and July respectively and trails the 1.9% job growth posted nationally over this period.

The education & health services sector contributed the largest share of added jobs among major industry sectors, increasing by 7,100 jobs over the past year, a 4.5% increase. Four other major sectors registered September employment gains, professional & business services (up 3.4%), financial activities (up 1.9%), leisure & hospitality (up 1.6%) and government (up 0.9%).

Five of ten major industry sectors posted job declines in September. The month’s largest decline was registered in the other services sector, down 3.5%. Jobs also fell in the construction & natural resources (down 2.6%), manufacturing (down 1.8%), information (down 1.4%), and trade, transportation & utilities (down 0.4%) sectors.

The trend in hours and earnings indicators for manufacturing production workers was mostly weak. Average weekly earnings fell 4.2% in September to \$792 while the length of the average workweek declined 5.2% to 40.1 hours. Average hourly earnings posted a modest gain, up 1% over year-ago levels, to \$19.75.

A mixed trend was posted among local housing and real estate indicators tracked by the MMAC. Existing home sales in the metro area increased 11.4% in September, to 1,424, registering growth in each of the past eight months on year-over-year basis. On the other hand, mortgages recorded in Milwaukee County fell 2%, this indicator's first decline in eight months.

New-car registrations fell for the third time in four months. Registrations fell 6.6% in September to 2,787, following the 3.8% increase posted in August. Air passengers using Mitchell International Airport numbered 500,817 in September, a 2.1% increase from one year ago. Over 2015's first nine months passenger totals have posted an aggregate 0.7% decline.

Other Indicators (latest available)

Consumer prices nationally, as measured by the Consumer Price Index for Urban Consumers (CPI-U), was unchanged in September (vs. September, 2014) at 237.945 (1981-84=100). The Milwaukee area CPI-U reached 226.220 for the first half of 2015, a 0.8% decrease from 2014's first half.

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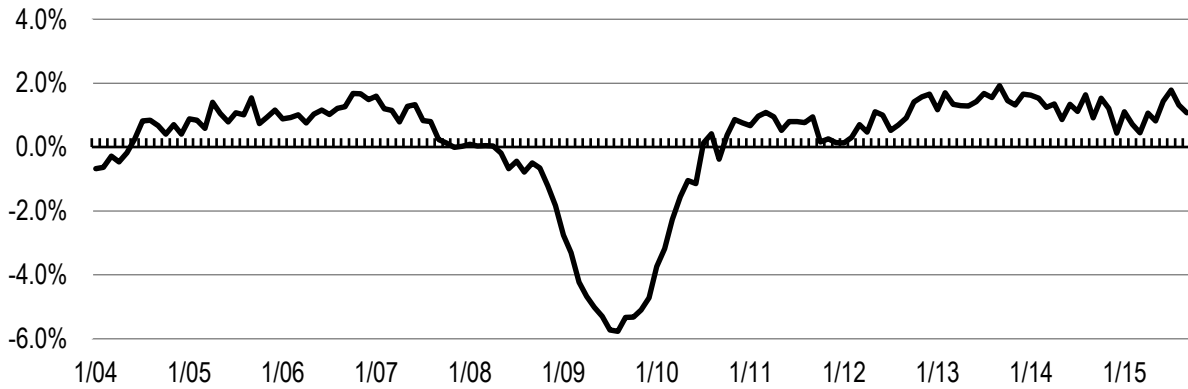
Metropolitan Milwaukee Business Indicators
September, 2015

	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)	Sep-15	858.8	862.3	849.7	1.1%	-0.4%	1.1%
Construction, mining & natural res. (000)	Sep-15	29.4	31.3	30.2	-2.6%	-6.1%	1.5%
Manufacturing (000)	Sep-15	118.4	120.2	120.6	-1.8%	-1.5%	-0.3%
Trade, transportation, & utilities (000)	Sep-15	142.6	143.2	143.2	-0.4%	-0.4%	-1.0%
Information (000)	Sep-15	14.2	14.3	14.4	-1.4%	-0.7%	-1.6%
Financial activities (000)	Sep-15	53.0	53.5	52.0	1.9%	-0.9%	2.8%
Professional & business services (000)	Sep-15	130.3	130.3	126.0	3.4%	0.0%	2.6%
Education & health services (000)	Sep-15	165.7	160.7	158.6	4.5%	3.1%	3.3%
Leisure & hospitality (000)	Sep-15	76.2	82.9	75.0	1.6%	-8.1%	0.0%
Other services, exc. public (000)	Sep-15	41.3	41.6	42.8	-3.5%	-0.7%	-0.4%
Government (000)	Sep-15	87.7	84.3	86.9	0.9%	4.0%	1.1%
LABOR FORCE DATA							
Civilian labor force (000)	Sep-15	818.1	828.6	827.2	-1.1%	-1.3%	-0.6%
Employed (000)	Sep-15	784.2	791.0	782.5	0.2%	-0.9%	0.6%
Unemployed (000)	Sep-15	33.9	37.7	44.7	-24.2%	-10.1%	-18.3%
Unemployment rate							
Metro Milwaukee	Sep-15	4.1%	4.5%	5.4%	-1.3(4)	-0.4(4)	-1.1(4)
Wisconsin	Sep-15	3.6%	3.9%	4.7%	-1.1(4)	-0.3(4)	-1.1(4)
United States	Sep-15	4.9%	5.2%	5.7%	-0.8(4)	-0.3(4)	-0.9(4)
New unemployment compensation claims	Sep-15	3,447	3,765	4,002	-13.9%	-8.4%	-6.3%
HOURS & EARNINGS (mfg. production workers)							
Avg. weekly hours (manuf.)	Sep-15	40.1	41.1	42.3	-5.2%	-2.4%	-0.3%
Avg. weekly earnings (2)	Sep-15	\$791.98	\$801.45	\$826.97	-4.2%	-1.2%	2.5%
Avg. hourly earnings (2)	Sep-15	\$19.75	\$19.50	\$19.55	1.0%	1.3%	2.9%
HOUSING & REAL ESTATE							
Existing homes sold	Sep-15	1,424	1,595	1,278	11.4%	-10.7%	13.9%
Mortgages (number) (3)	Sep-15	2,091	2,191	2,133	-2.0%	-4.6%	16.8%
TRANSPORTATION							
Airport passengers	Sep-15	500,817	583,715	490,720	2.1%	-14.2%	-0.7%
New-car registrations	Sep-15	2,787	2,728	2,984	-6.6%	2.2%	-0.2%
OTHER INDICATORS (latest available)							
Construction contracts (\$000) (2)	Aug-15	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Consumer price index (1982-84=100)							
Milwaukee (CPI-U)	2ndH-14	226.220	227.634	228.005	-0.8%	-0.6%	-0.8%
United States (CPI-U)	Sep-15	237.945	238.316	238.031	0.0%	-0.2%	0.0%

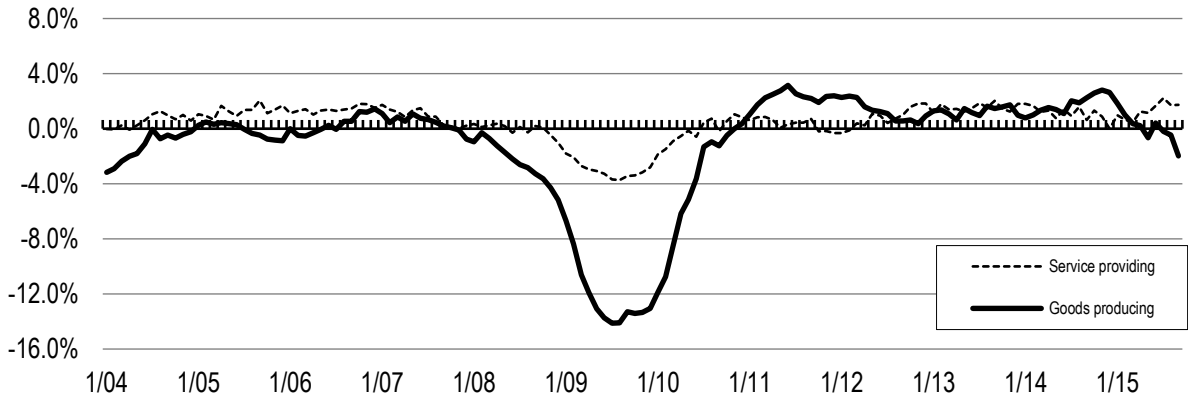
Notes: (1) The average or cumulative figure year-to-date vs. the same total one year ago. (2) Not adjusted for inflation. (3) Milwaukee County only. (4) Percentage point change.
 Figures are not seasonally adjusted except where indicated (SA).
 Figures are for metro Milwaukee (Milwaukee, Ozaukee, Washington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

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 September, 2014 to September, 2015

