



NEWS RELEASE

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February Economic Trends

April 5, 2019 – A majority of Milwaukee-area economic indicators improved in February as 13 of 23 local indicators tracked monthly by the Metropolitan Milwaukee Association of Commerce (MMAC) gained over year-ago levels. February’s performance improved modestly from the revised 12 upward pointing indicators posted in January.

“It’s difficult to post significant rates of growth this far into an expansion phase of a business cycle,” said Bret Mayborne, the MMAC’s economic research director. “The current local environment somewhat reflects this. Current aggregate job gains in the metro area are rather modest in size but cut across a broad range of industry sectors.”

Highlights of the report include:

- Nonfarm employment averaged 869,300 in February, a 0.6% increase from one year ago – following a similar 0.7% gain in January.
- Job gains were broad-based with seven of ten major industry sectors posting year-over-year gains. The leisure & hospitality sector posted the largest percentage increase – up 2.5% vs. year-ago levels. Conversely, three of ten major industry sectors posted employment loss with a 3.1% fall in the professional & business services sector ranking as the biggest decline.
- Local housing and real estate indicators were mixed in February. Existing home sold in the metro area fell from year-ago levels while mortgages recorded in Milwaukee County rose for the first time in ten months.

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The metro area unemployment position was largely positive. The number of unemployed fell by 3,800 from one year ago (down 12.7%) following the 2.2% increase posted in January (vs. one year ago). As a result, the metro area's seasonally unadjusted unemployment rate fell 0.4 percentage points from year-ago levels. Metro Milwaukee's rate averaged 3.2% in February, lower than the 3.3% and 4.1% rates posted for the state and nation respectively.

New unemployment compensation claims in the metro area rose 13.4% in February (vs. February 2018), to 3,476, this indicator's first year-over-year increase in seven months.

Indicators: February 2019 vs. February 2018

Nonfarm employment levels in the metro area averaged 869,300 in February, a 0.6% increase from year-ago levels. February's gain matches the average gain posted over the past 12 months but ranks slightly under the 0.7% increase registered in January.

Job gains were concentrated in seven major industry sectors. The leisure & hospitality sector posted the largest gain in percentage terms with a 2.5% increase over year-ago levels. The education & health services (up 2.2%), financial activities (up 1.4%), construction, mining and natural resources (up 1.4%), other services (up 1.3%), trade, transportation & utilities (up 1.1%), and manufacturing (up 0.7%) sectors also posted employment gains.

February employment declines were posted in three major industry sectors. The steepest decline was posted in the professional & business services sector, down 3.1%, followed by the information (down 1.5%), and government (down 0.6%) sectors.

Among manufacturing production worker indicators, the length of the average workweek rose 2.4% in February, to 42.9 hours – following this indicator's 2.3% January gain (vs. year-ago levels). Average weekly earnings for such workers fell 0.5% (to \$980), while average hourly earnings fell at a 2.8% pace (to \$22.85).

Milwaukee area housing and real estate indicators tracked by the MMAC posted mixed results in February. Existing home sales for the metro area fell 0.6%, to 864, this indicator's sixth consecutive year-over-year decline. On the other hand, mortgages recorded in Milwaukee County rose for the first time in ten months, up 11.3% in February, to 1,595.

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New-car registrations in the metro area continued to trend downward. Registrations fell 12.9% in February (to 813) following the 18.3% decrease posted in January (vs. year-ago levels). Air passengers using Mitchell International Airport fell 6.4% in February, to 500,470.

Other Indicators (latest available)

Consumer prices nationally, as measured by the Consumer Price Index for Urban Consumers (CPI-U), rose 1.5% in February (vs. February 2018) to 252.776 (1981-84=100). As of 2018's first half, the U.S. Bureau of Labor Statistics no longer produces a consumer price index for the Milwaukee area.

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Statistical table attached.

Metropolitan Milwaukee Business Indicators

February 2019

	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)	Feb-19	869.3	863.6	864.1	0.6%	0.7%	0.6%
Construction, mining & natural res. (000)	Feb-19	29.7	29.5	29.3	1.4%	0.7%	1.0%
Manufacturing (000)	Feb-19	118.2	118.4	117.4	0.7%	-0.2%	0.8%
Trade, transportation, & utilities (000)	Feb-19	147.0	147.9	145.4	1.1%	-0.6%	0.9%
Information (000)	Feb-19	13.3	13.4	13.5	-1.5%	-0.7%	-1.1%
Financial activities (000)	Feb-19	51.0	51.3	50.3	1.4%	-0.6%	1.6%
Professional & business services (000)	Feb-19	123.3	121.2	127.2	-3.1%	1.7%	-3.3%
Education & health services (000)	Feb-19	175.0	171.5	171.2	2.2%	2.0%	2.5%
Leisure & hospitality (000)	Feb-19	78.6	76.9	76.7	2.5%	2.2%	1.3%
Other services, exc. public (000)	Feb-19	46.9	47.9	46.3	1.3%	-2.1%	2.3%
Government (000)	Feb-19	86.3	85.6	86.8	-0.6%	0.8%	0.5%
LABOR FORCE DATA							
Civilian labor force (000)	Feb-19	829.0	816.7	832.0	-0.4%	1.5%	-0.4%
Employed (000)	Feb-19	802.8	789.1	802.0	0.1%	1.7%	-0.2%
Unemployed (000)	Feb-19	26.2	27.7	30.0	-12.7%	-5.4%	-5.6%
Unemployment rate							
Metro Milwaukee	Feb-19	3.2%	3.4%	3.6%	-0.4(4)	-0.2(4)	-0.2(4)
Wisconsin	Feb-19	3.3%	3.5%	3.8%	-0.5(4)	-0.2(4)	-0.2(4)
United States	Feb-19	4.1%	4.4%	4.4%	-0.3(4)	-0.3(4)	-0.2(4)
New unemployment compensation claims	Feb-19	3,476	5,190	3,066	13.4%	-33.0%	4.0%
HOURS & EARNINGS (mfg. production workers)							
Avg. weekly hours (manuf.)	Feb-19	42.9	43.7	41.9	2.4%	-1.8%	2.4%
Avg. weekly earnings (2)	Feb-19	\$980.27	\$993.30	\$985.49	-0.5%	-1.3%	-0.2%
Avg. hourly earnings (2)	Feb-19	\$22.85	\$22.73	\$23.52	-2.8%	0.5%	-2.5%
HOUSING & REAL ESTATE							
Existing homes sold	Feb-19	864	828	869	-0.6%	4.3%	-1.6%
Mortgages (number) (3)	Feb-19	1,595	1,359	1,433	11.3%	17.4%	-9.6%
TRANSPORTATION							
Airport passengers	Feb-19	500,470	486,604	534,868	-6.4%	2.8%	-7.6%
New-car registrations	Feb-19	813	1,207	933	-12.9%	-32.6%	-16.2%
OTHER INDICATORS (latest available)							
Consumer price index (1982-84=100)							
United States (CPI-U)	Feb-19	252.776	251.712	248.991	1.5%	0.4%	1.5%

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