



## ***NEWS RELEASE***

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### **May Economic Trends**

**July 3, 2018 – Fifteen of 22 available metro area business activity indicators registered improvement in May, according to a monthly report by the Metropolitan Milwaukee Association of Commerce (MMAC). May’s 15 improvements are down from the 18 upward pointing indicators posted in April.**

**“The aggregate number of improved monthly indicators is at the low end of its range in recent months but a strong majority continue to trend upwards,” said Bret Mayborne, the MMAC’s economic research director. “The job situation remains a strong point in this trend with healthy year-over-year overall gains led particularly by robust growth in the manufacturing sector.”**

Highlights of the report include:

- Employment levels in May reached its highest total since December, 2000. May’s 876,100 jobs mark a 0.8% increase over year-ago levels. May’s percentage gain is slightly below the 0.9% average gain registered over 2018’s first five months.
- Six of ten major industry sectors registered May year-over-year job increases. The manufacturing sector posted the largest gain – up 2.7%. Among major sectors with employment declines, the steepest was posted in the information sector (down 5.1%).
- The manufacturing sector’s 2.7% job gain was the largest registered in over six years. May indicators for manufacturing production workers also increased. The average weekly work week, average weekly earnings and average hourly earnings indicators for such workers also rose vs. year-earlier levels.

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The number of unemployed in the metro area averaged 23,400 in May, a 15.8% decline from one year ago – this indicator’s 55th consecutive month of year-over-year decline (since November, 2013). Likewise, new unemployment compensation claims fell at a double-digit rate, down 12.5% from one year ago, to 2,882.

Metro Milwaukee’s seasonally unadjusted unemployment rate averaged 2.8% in May, down 0.6 percentage points from one year ago. Metro Milwaukee’s rate ranks slightly higher than the 2.6% rate posted statewide but below the nation’s 3.6% figure.

### Indicators: May, 2018 vs. May, 2017

Nonfarm employment in the metro area averaged 876,100 in May, a 0.8% increase from one year ago. May’s total is the highest reached in nearly two business cycles (since December, 2000) and metro area employment totals are nearing the all-time monthly total of 887,000 nonfarm jobs posted in June, 2000.

Metro area job increases for May were posted in six of ten major industry sectors. The manufacturing sector posted the largest gain in percentage terms with a 2.7% increase over year-ago levels. The education & health services (up 2.5%), construction, mining & natural resources (up 2.5%), other services (up 1.9%), professional & business services (up 1.8%), and government (up 0.5%) sectors also posted employment gains.

Four of ten major industry sectors registered job declines in May. The steepest decline was registered in the information sector, down 5.1%, followed by the financial activities (down 4.5%), leisure & hospitality (down 1.0%), and trade, transportation & utilities (down 0.9%) sectors.

May’s 2.7% gain in manufacturing jobs was the strongest year-over-year increase posted in manufacturing since March, 2012. Indicators for manufacturing production workers also posted gains. The length of the average workweek for production workers rose 3.4%, to 42.4 hours, while average weekly earnings for such workers increased 4.5% (to \$959) and average hourly earnings rose 1.1%, to \$22.61.

Both area housing and real estate indicators tracked by the MMAC posted year-over-year declines. Existing home sales for the metro area fell 2.6% in May, to 1,731, this indicator’s first

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year-over-year decline in eight months. Mortgages recorded in Milwaukee County fell at a 4.2% rate (to 2,242), following April's 1.9% rise (vs. April, 2017).

New-car registrations fell 23.8% in May (to 1,627), this indicator's fifth consecutive month of year-over-year decline. Air passenger totals at Mitchell International Airport were unavailable at the time of this report.

### Other Indicators (latest available)

Consumer prices nationally, as measured by the Consumer Price Index for Urban Consumers (CPI-U), rose 2.8% in May (vs. May, 2017) to 251.588 (1981-84=100). The Milwaukee area CPI-U reached 232.718 for the second half of 2017, a 1.8% increase from 2016's second half.

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Statistical table attached.

## Metropolitan Milwaukee Business Indicators

### May, 2018

	Month	Current month	Previous month	Year ago	% chg. from yr. ago	% chg. prev. month	% chg. year to date (1)
<b>ESTABLISHMENT DATA</b>							
Total nonfarm payroll employment (000)	May-18	876.1	874.5	869.4	0.8%	0.2%	0.9%
Construction, mining & natural res. (000)	May-18	32.6	31.0	31.8	2.5%	5.2%	2.5%
Manufacturing (000)	May-18	120.7	120.4	117.5	2.7%	0.2%	2.3%
Trade, transportation, & utilities (000)	May-18	144.5	144.1	145.8	-0.9%	0.3%	-0.5%
Information (000)	May-18	13.0	13.0	13.7	-5.1%	0.0%	-5.8%
Financial activities (000)	May-18	49.2	50.5	51.5	-4.5%	-2.6%	-2.8%
Professional & business services (000)	May-18	127.8	128.1	125.5	1.8%	-0.2%	1.8%
Education & health services (000)	May-18	172.4	171.9	168.2	2.5%	0.3%	2.0%
Leisure & hospitality (000)	May-18	80.4	78.7	81.2	-1.0%	2.2%	-0.3%
Other services, exc. public (000)	May-18	47.5	47.4	46.6	1.9%	0.2%	2.3%
Government (000)	May-18	88.0	89.4	87.6	0.5%	-1.6%	1.3%
<b>LABOR FORCE DATA</b>							
Civilian labor force (000)	May-18	830.3	835.4	827.8	0.3%	-0.6%	0.8%
Employed (000)	May-18	806.9	812.9	800.0	0.9%	-0.7%	1.5%
Unemployed (000)	May-18	23.4	22.5	27.8	-15.8%	4.0%	-18.4%
Unemployment rate							
Metro Milwaukee	May-18	2.8%	2.7%	3.4%	-0.6(4)	0.1(4)	-0.7(4)
Wisconsin	May-18	2.6%	2.7%	3.1%	-0.5(4)	-0.1(4)	-0.6(4)
United States	May-18	3.6%	3.7%	4.1%	-0.5(4)	-0.1(4)	-0.5(4)
New unemployment compensation claims	May-18	2,882	2,863	3,293	-12.5%	0.7%	-10.8%
<b>HOURS &amp; EARNINGS (mfg. production workers)</b>							
Avg. weekly hours (manuf.)	May-18	42.4	42.4	41.0	3.4%	0.0%	2.6%
Avg. weekly earnings (2)	May-18	\$958.66	\$966.72	\$917.17	4.5%	-0.8%	9.2%
Avg. hourly earnings (2)	May-18	\$22.61	\$22.80	\$22.37	1.1%	-0.8%	6.4%
<b>HOUSING &amp; REAL ESTATE</b>							
Existing homes sold	May-18	1,731	1,512	1,777	-2.6%	14.5%	3.5%
Mortgages (number) (3)	May-18	2,242	1,966	2,340	-4.2%	14.0%	-4.3%
<b>TRANSPORTATION</b>							
Airport passengers	May-18	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
New-car registrations	May-18	1,627	1,775	2,135	-23.8%	-8.3%	-23.7%
<b>OTHER INDICATORS (latest available)</b>							
Consumer price index (1982-84=100)							
Milwaukee (CPI-U)	2ndH-17	232.718	232.123	228.624	1.8%	0.3%	2.0%
United States (CPI-U)	May-18	251.588	250.546	244.733	2.8%	0.4%	2.4%

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