



## **NEWS RELEASE**

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### **January Economic Trends report for metro Milwaukee: Slow pace of recovery continues**

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MILWAUKEE – For the eleventh consecutive month, less than half of metro area business activity indicators pointed upward, according to a monthly report by the Metropolitan Milwaukee Association of Commerce (MMAC.) For January, five of 22 available economic indicators registered positive vs. year-ago levels, matching the number posted in December.

“The local economy continues to struggle to find firm ground to stand on for a speedier economic recovery, but there are some positive signs,” said Bret Mayborne, the MMAC’s economic research director. “Metro area manufacturing indicators have started to gather some momentum and area housing and real estate indicators continue to post robust year-over-year gains.”

Highlights of the data include:

- Nonfarm jobs in the metro area averaged 801,200 in January, down 7.2% from one year ago, modestly smaller than the 7.6% decline posted in December.
- All 10 major industry sectors in the metro area posted January year-over-year job declines. The leisure & hospitality (down 26.6%) and construction, mining & natural resources (-15.2%) sectors both recorded double-digit declines compared to one year ago. The financial activities sector posted the smallest job decrease, down 3.2%.
- January’s seasonally unadjusted unemployment rate of 5% ranks 1.6 percentage points higher than the 3.4% rate recorded one year ago. Wisconsin’s January rate ranked lower at 4.5% while the U.S. rate at 6.8% ranked higher.
- The number of unemployed in the metro area rose 44.8% vs. year-ago levels to 39,100. While large, this increase is the second smallest increase posted since April 2020.
- A year-over-year job decline in manufacturing – down 3.8% in January – ranked as this indicator’s smallest decrease since the pandemic recession’s start. Manufacturing earnings and production indicators registered growth. The length of the average workweek for production workers rose 3.7% vs. one year ago (to 42.3 hours) while average weekly earnings and average hourly earnings for such workers rose 9.8% and 5.9% respectively vs. year-ago levels.

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- Local housing and real estate indicators remain an area of strength. Metro area existing homes sold rose 9.4% vs. one year ago to 974 while mortgages recorded in Milwaukee County increased 44.1%, to 3,436.

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### Note

The release of January nonfarm employment and labor force data includes January data as well as revisions to earlier years of monthly data by the U.S. Bureau of Labor Statistics. This release includes these revisions. Data from previous versions of this report may have changed.

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 (vs. March), the beginning of the Covid-19 recession. Since that time, the local economy added back 57,900 jobs cumulatively in the month-over-month record over the May 2020 to January 2021 period or 52% of the initial loss.

Statistical table attached.

## Metropolitan Milwaukee Business Indicators

### January 2021

	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)	Jan-21	801.2	813.8	863.7	-7.2%	-1.5%	-7.2%
Construction, mining & natural res. (000)	Jan-21	26.7	29.8	31.5	-15.2%	-10.4%	-15.2%
Manufacturing (000)	Jan-21	113.9	113.3	118.4	-3.8%	0.5%	-3.8%
Trade, transportation, & utilities (000)	Jan-21	140.4	143.3	145.6	-3.6%	-2.0%	-3.6%
Information (000)	Jan-21	12.2	12.3	13.3	-8.3%	-0.8%	-8.3%
Financial activities (000)	Jan-21	48.8	49.2	50.4	-3.2%	-0.8%	-3.2%
Professional & business services (000)	Jan-21	116.5	117.0	121.6	-4.2%	-0.4%	-4.2%
Education & health services (000)	Jan-21	163.1	167.5	173.1	-5.8%	-2.6%	-5.8%
Leisure & hospitality (000)	Jan-21	58.0	58.1	79.0	-26.6%	-0.2%	-26.6%
Other services, exc. public (000)	Jan-21	44.3	44.6	46.4	-4.5%	-0.7%	-4.5%
Government (000)	Jan-21	77.3	78.7	84.4	-8.4%	-1.8%	-8.4%
<b>LABOR FORCE DATA</b>							
Civilian labor force (000)	Jan-21	789.1	791.9	804.0	-1.9%	-0.4%	-1.9%
Employed (000)	Jan-21	750.0	755.2	777.1	-3.5%	-0.7%	-3.5%
Unemployed (000)	Jan-21	39.1	36.7	27.0	44.8%	6.5%	44.8%
Unemployment rate							
Metro Milwaukee	Jan-21	5.0%	4.6%	3.4%	1.6(4)	0.4(4)	1.6(4)
Wisconsin	Jan-21	4.5%	4.0%	3.5%	1.0(4)	0.5(4)	1.0(4)
United States	Jan-21	6.8%	6.5%	4.0%	2.8(4)	0.3(4)	2.8(4)
New unemployment compensation claims	Jan-21	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>HOURS &amp; EARNINGS (mfg. production workers)</b>							
Avg. weekly hours (manuf.)	Jan-21	42.3	42.2	40.8	3.7%	0.2%	3.7%
Avg. weekly earnings (2)	Jan-21	\$992.36	\$997.19	\$904.13	9.8%	-0.5%	9.8%
Avg. hourly earnings (2)	Jan-21	\$23.46	\$23.63	\$22.16	5.9%	-0.7%	5.9%
<b>HOUSING &amp; REAL ESTATE</b>							
Existing homes sold	Jan-21	974	1,534	890	9.4%	-36.5%	9.4%
Mortgages (number) (3)	Jan-21	3,436	4,031	2,385	44.1%	-14.8%	44.1%
<b>TRANSPORTATION</b>							
Airport passengers	Jan-21	179,753	189,668	491,051	-63.4%	-5.2%	-63.4%
New-car registrations	Jan-21	901	892	1,022	-11.8%	1.0%	-11.8%
<b>OTHER INDICATORS (latest available)</b>							
Consumer price index (1982-84=100)							
United States (CPI-U)	Jan-21	261.582	260.474	257.971	1.4%	0.4%	1.4%

**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, and U.S. Dept. of Labor