

Monthly Economic Update

MAY 2024, FEATURING APRIL NEWS RELEASES
WISCONSIN DEPARTMENT OF REVENUE

Based in part on information and commentary supplied by Federal
and State government statistical agencies.

Wisconsin Updates

Employment

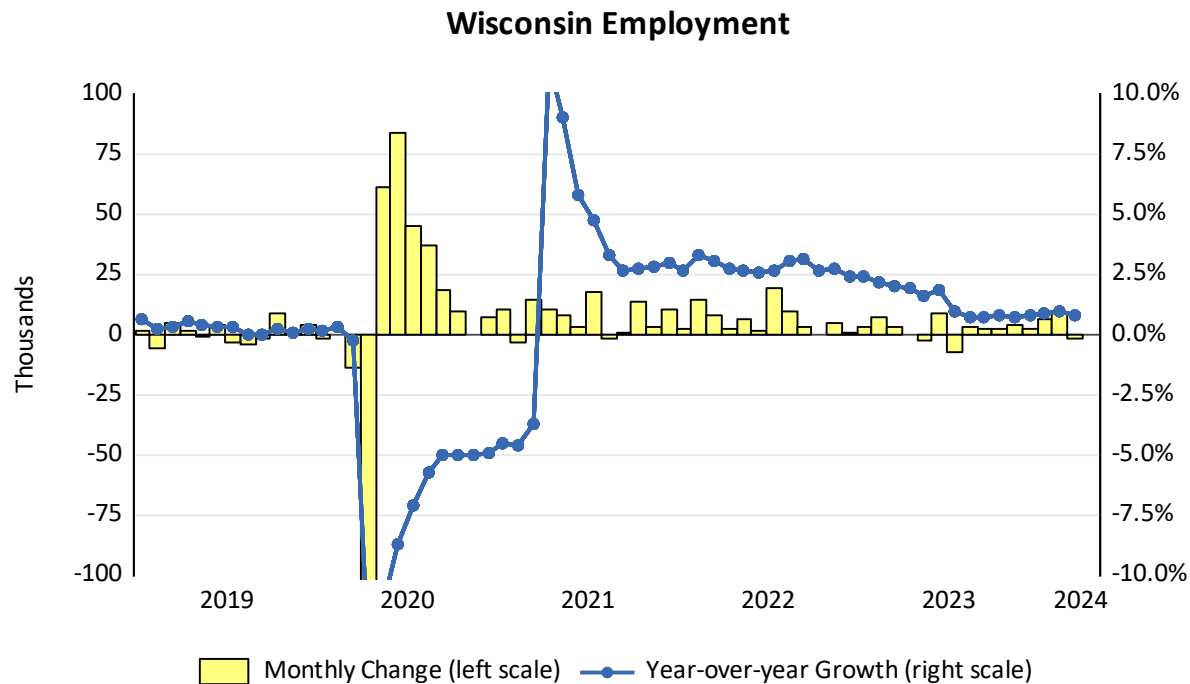
- Sectors

FY24 Tax Revenues Through March 2024

Farm Prices

- Corn
- Milk

Wisconsin Employment Dipped in March; February Employment Revised 5,200 Higher



Preliminary estimates show Wisconsin employment dipped by 1,700 in March. February's estimate was revised up by 5,200, mostly in private employment.

March employment was 0.8% higher than last year at this time, an increase of 22,700. National employment increased 1.9% in that same time.

Total private employment in Wisconsin fell by 2,900 in March while government added 1,200, half of that in local government.

In the private goods-producing sector, the construction sector added 3,100 jobs in March, while manufacturing lost 2,900.

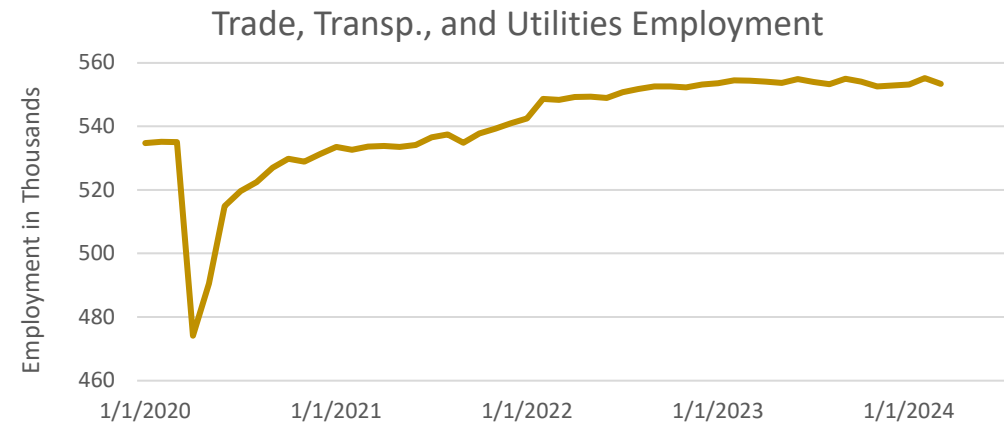
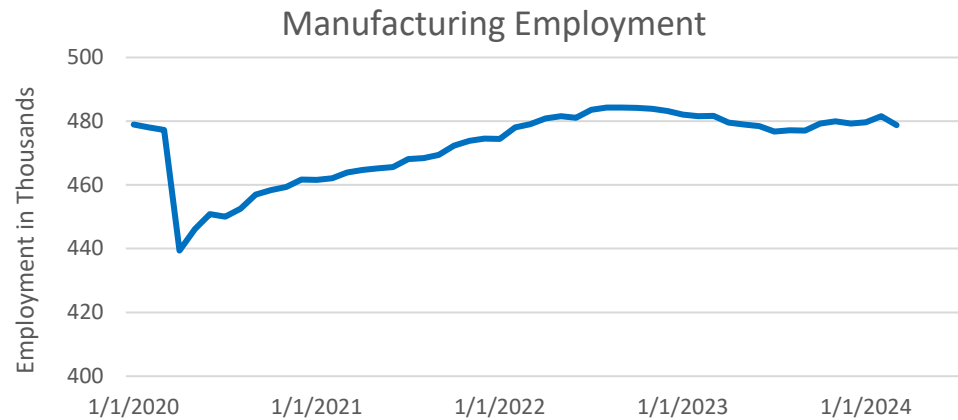
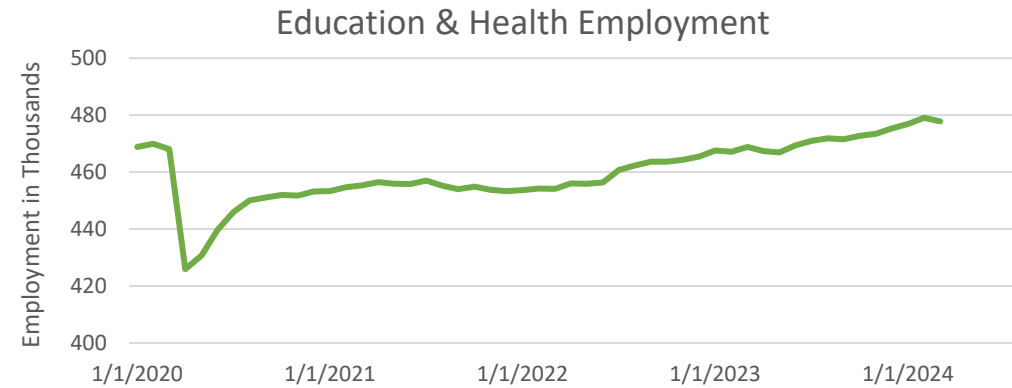
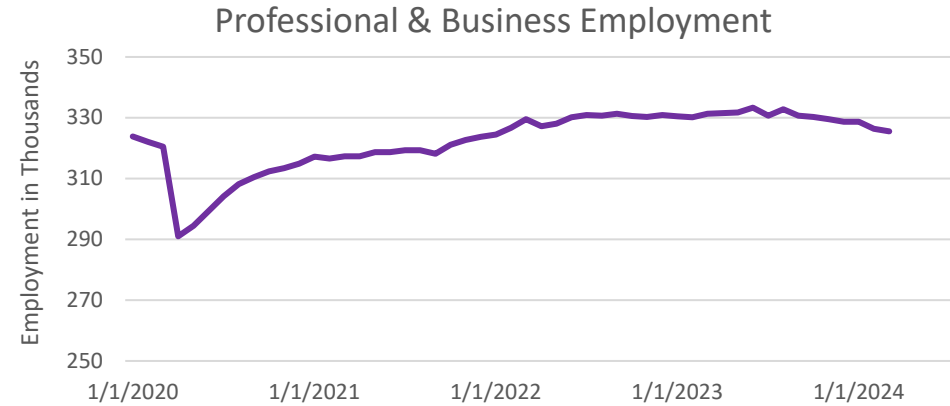
In the private services sector, trade, transportation and utilities employment declined by 1,800, professional & business services fell by 800, and private education & health lost 1,200.

Wisconsin's unemployment rate was 3.0% in March, the same as in February but down from 3.2% in January. Nationally, the unemployment rate was 3.8%.

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

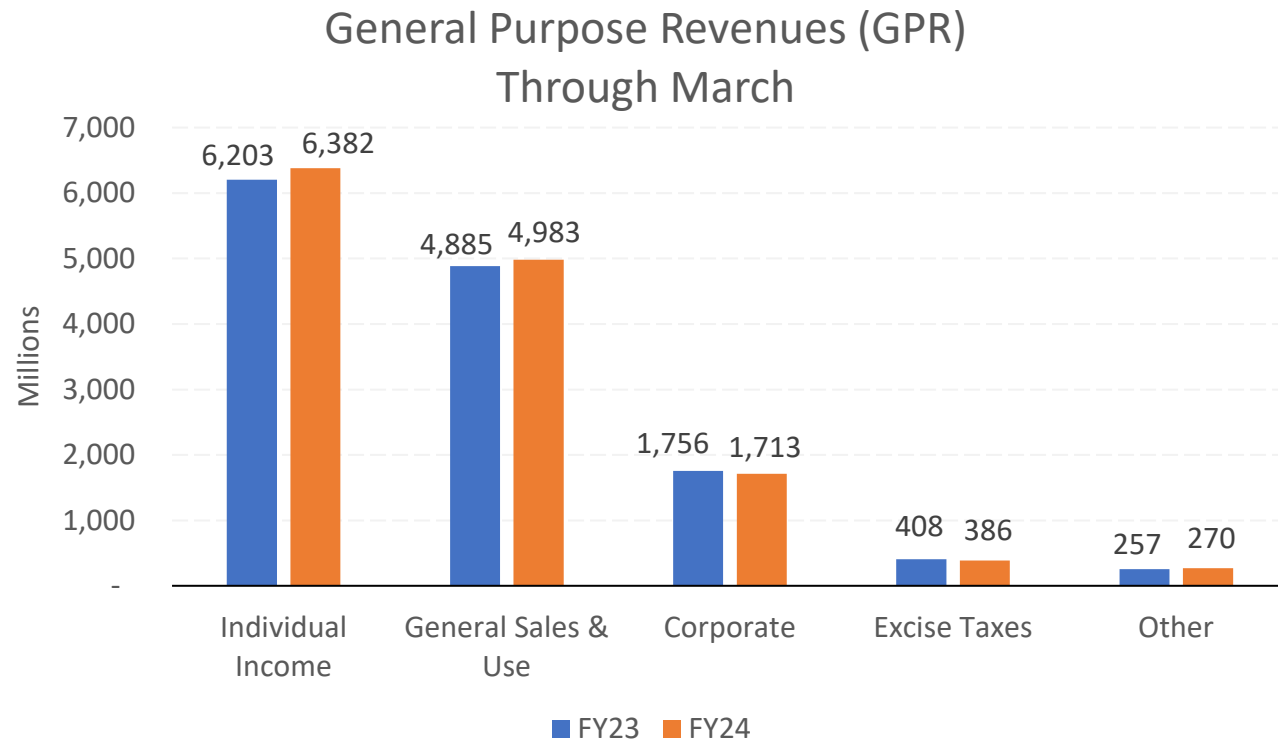
Wisconsin Employment Sectors:

Education & Health Employment Continues to Rise while Manufacturing and Trade, Trans., & Utilities Employment Move Sideways; Professional & Business Employment Moves Lower



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

WI General Purpose Revenues Increased 1.7% Through March



General Purpose Revenues (GRP) increased 1.7% through March of fiscal year 2024 (FY24), rising from \$13.5 billion in FY23 to \$13.7 billion in FY24.

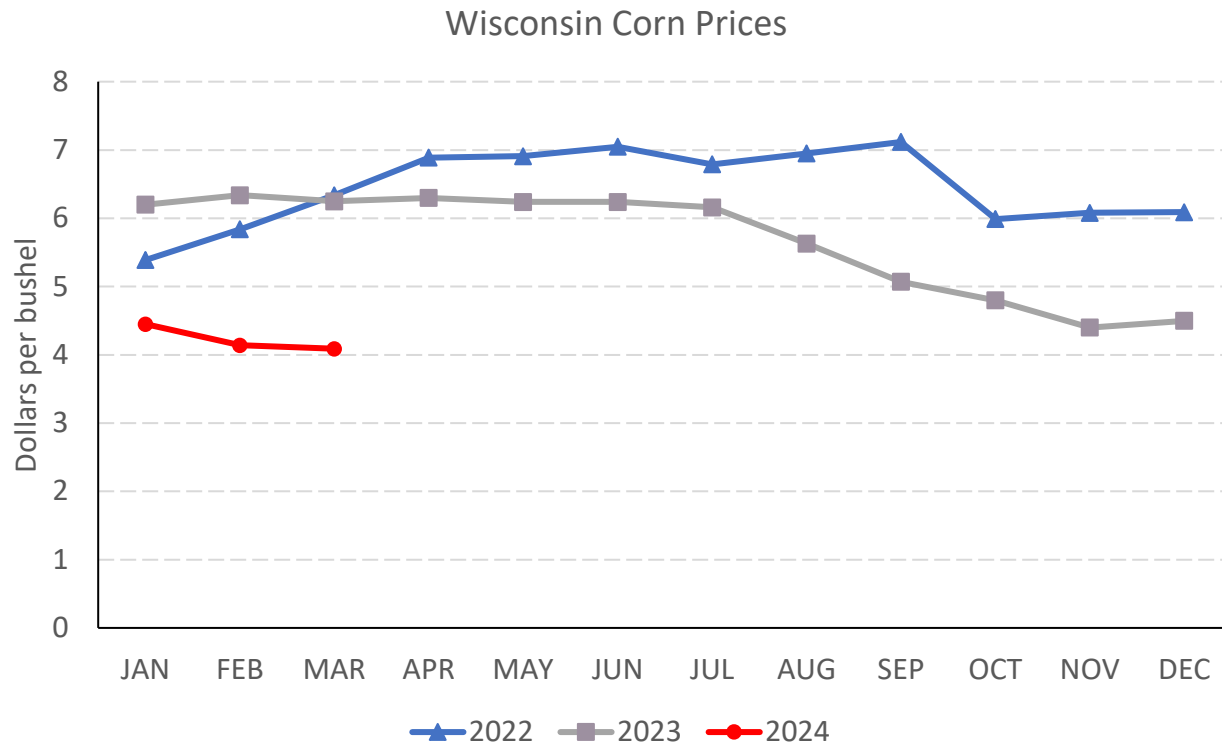
Individual income tax revenues, the largest source of tax revenues in Wisconsin, increased 2.9% to \$6.38 billion through March of FY24. The forecast calls for a 1.3% increase for the year.

Sales tax revenues increased 2.0% so far this year, to \$4.98 billion. This is slower growth than we have seen in recent years due to slower inflation, but revenues are on pace to meet the year-end forecast.

Corporate tax revenues have declined 2.5%, to \$1.71 billion through March of FY24. This tax type is expected to decline 5.8% in FY24.

Source: Wisconsin Department of Revenue

Corn Prices Fell to \$4.09 in March



Wisconsin corn prices received by farmers fell to \$4.09 per bushel in March, down five cents from \$4.14/bushel in February and down 34.6%, or \$2.16/bushel, since March of 2023.

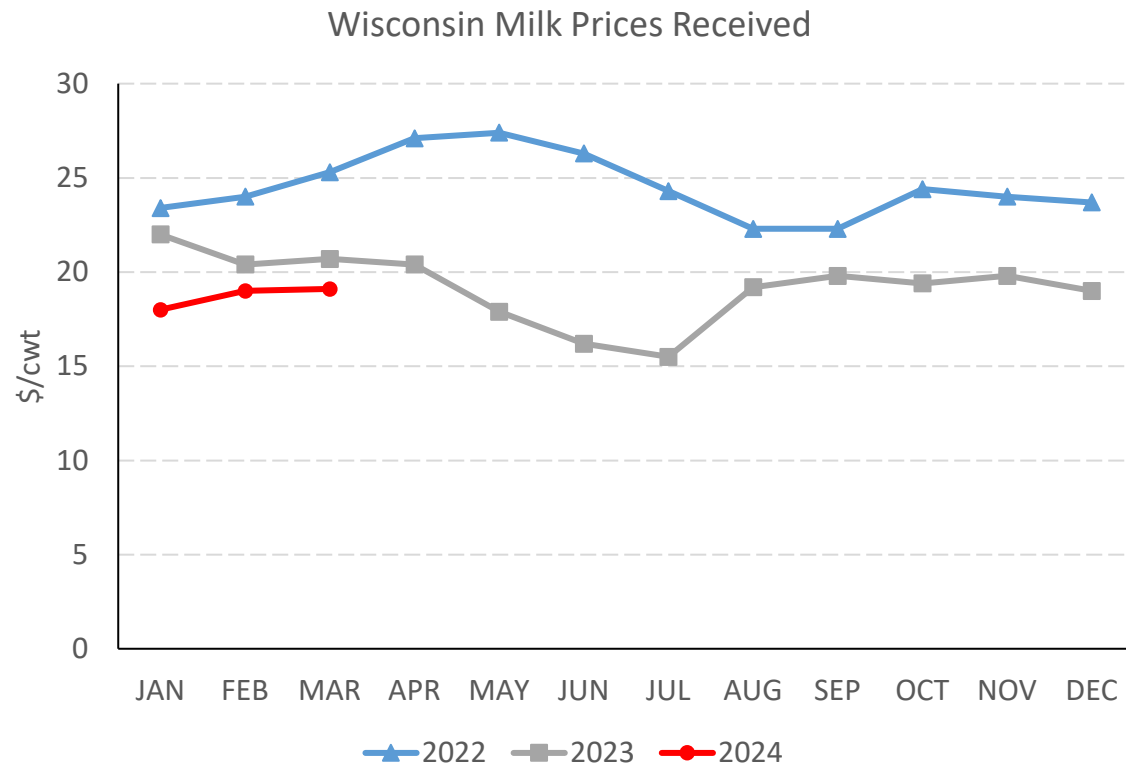
March prices were at their lowest point since December of 2020. Prices have fallen nearly every month since July of last year.

Corn prices are being pushed lower due to a record harvest in 2023, limited demand for corn products, and increased competition from international producers.

Nationally, corn prices received by farmers were \$4.36 per bushel, 22 cents higher than in Wisconsin. These are also down sharply from last year, when prices received by farmers were \$6.67/bushel.

Source: U.S. Department of Agriculture, National Agricultural Statistics Service

Milk Prices Inched Higher in March



Wisconsin milk prices received by farmers inched higher in March, to \$19.10 per hundred-weight (cwt) from \$19.00/cwt in February.

March prices were 7.7% lower than last year in March, a decline of \$1.60/cwt. They were \$8.30/cwt less than the peak of \$27.40 reached in May of 2022.

Milk prices are under pressure as demand for milk has weakened at the same time as supply has risen. Farmers are further impacted by higher input costs.

Nationally, milk prices received by farmers were \$20.70/cwt, \$1.60 higher than in Wisconsin and 30 cents lower than the national price in March 2023.

Source: U.S. Department of Agriculture, National Agricultural Statistics Service

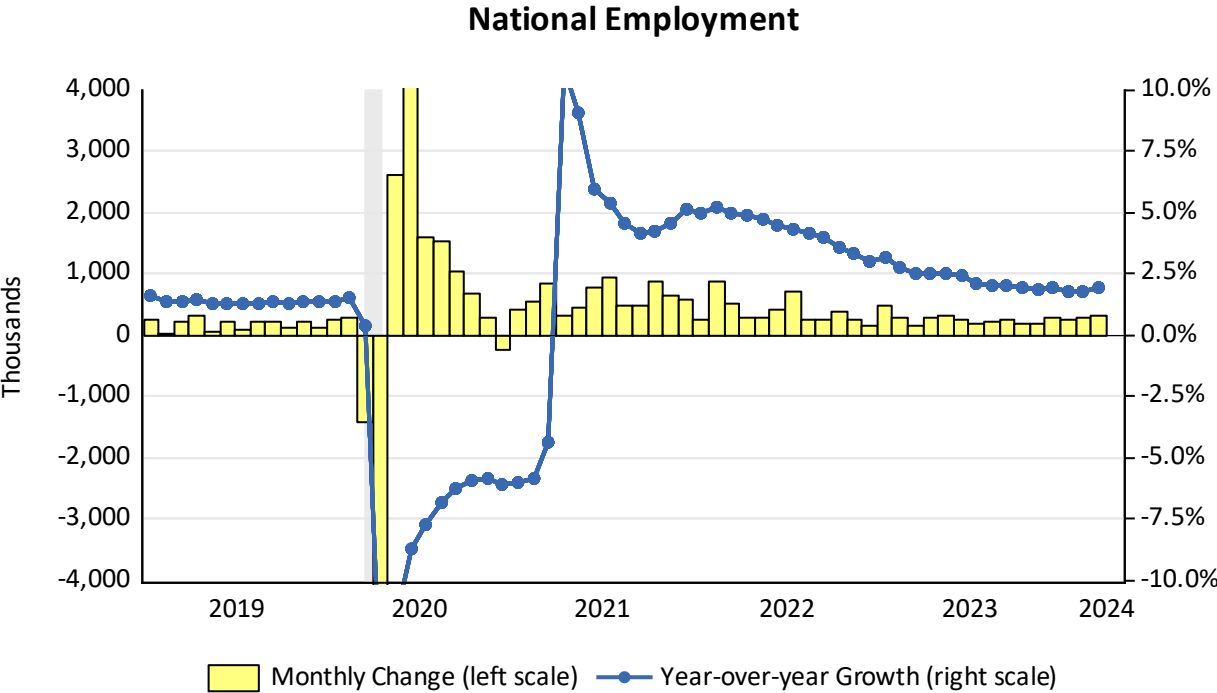
U.S. Updates

Employment

Inflation (CPI)

Consumer Sentiment

U.S. Added 303,000 Jobs in March



The U.S. Bureau of Labor Statistics reported that total nonfarm payroll employment rose by 303,000 in March, and the unemployment rate changed little at 3.8%. Job gains occurred in health care, government, and construction. Employment in January and February were revised higher by 22,000 combined.

Health care added 72,000 jobs in March, with job growth in ambulatory health care services (+28,000), hospitals (+27,000), and nursing and residential care facilities (+18,000).

Employment in government increased by 71,000, with gains in local government (+49,000) and federal government (+9,000).

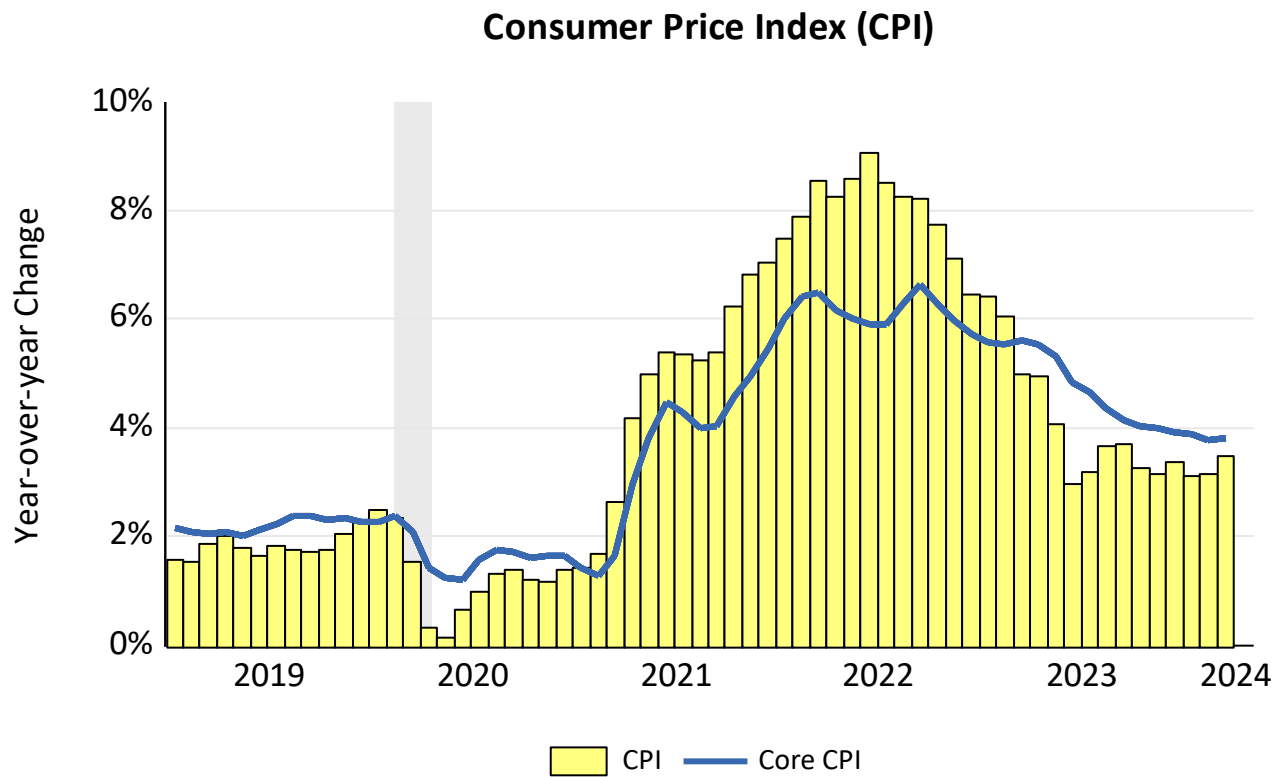
Construction added 39,000 jobs in March, and employment in leisure and hospitality trended up in March by 49,000. With the jobs added in March, leisure & hospitality has returned to its pre-pandemic February 2020 level.

Both the labor force participation rate, at 62.7%, and the employment-population ratio, at 60.3%, were little changed in March. These measures showed little change over the year.

April employment estimates will be released Friday, May 3. The consensus is for 210,000 jobs to have been added in April.

Source: U.S. Bureau of Labor Statistics, Monthly Employment Report

Consumer Price Increases Rise to 3.5% for 12-Months Ending in March



Source: U.S. Bureau of Labor Statistics, Consumer Price Index

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.4% in March on a seasonally adjusted basis, the same increase as in February.

The index for shelter rose in March, as did the index for gasoline. Combined, these two indexes contributed over half of the monthly increase in the index for all items. The food index rose 0.1% in March.

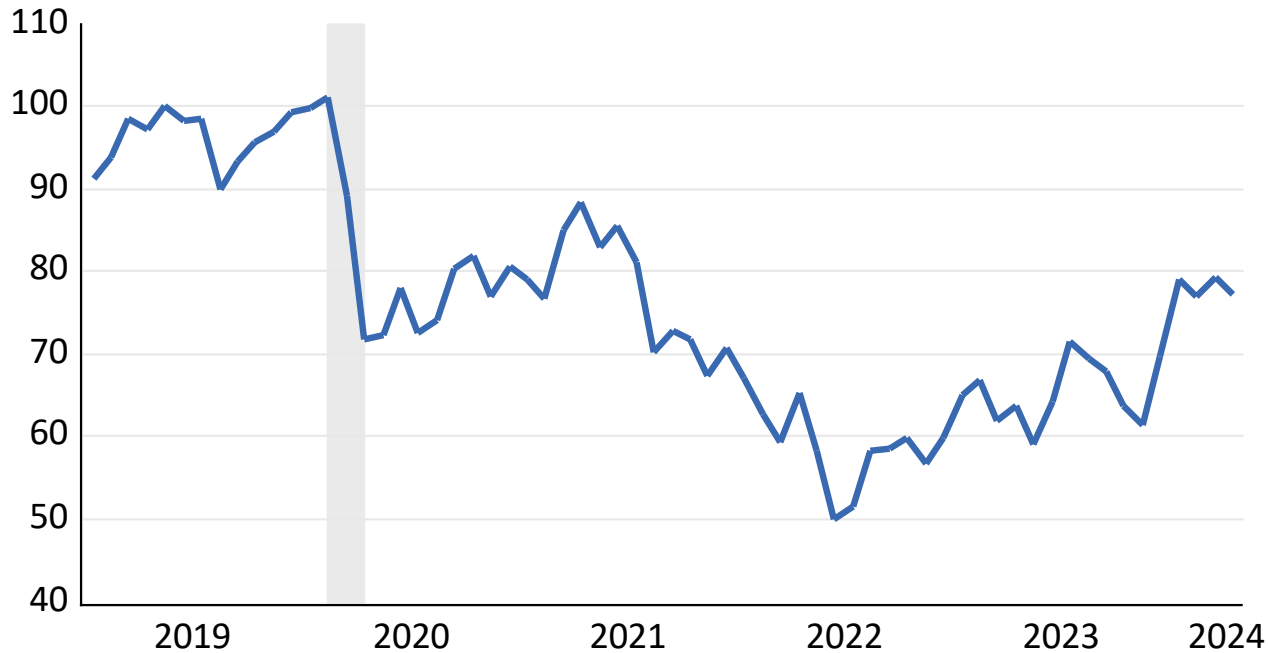
The core index, which excludes food and energy, rose 0.4% in March, as it did in each of the 2 preceding months. Indexes which increased in March include shelter, motor vehicle insurance, medical care, apparel, and personal care. The indexes for used cars and trucks, recreation, and new vehicles were among those that decreased over the month.

The all-items index rose 3.5% for the 12 months ending March, a larger increase than the 3.2% increase for the 12 months ending February. The core index rose 3.8% over the last 12 months.

The energy index increased 2.1% for the 12 months ending March, the first 12-month increase in that index since the period ending February 2023. The food index increased 2.2% over the last year.

Consumer Sentiment Higher in 2024

Consumer Sentiment - Michigan Survey



Source: Surveys of Consumers, University of Michigan

The U.S. consumer sentiment index ticked lower in April to 77.2, a 2.8% decline from March's 79.4. But the index has mostly moved sideways for the past three months after readings of 61.3 in November and 69.7 in December, consistently above its 2022 and 2023 levels.

April's index was 21.2% higher than its year-ago reading.

The index of current economic conditions came in at 79.0, down 4.2% from 82.5 in March, while the index of consumer expectations was 76.0, down 1.8% from 77.4 in March.

Sentiment rose for younger consumers, while the sentiment of middle-aged and older adults was either flat or fell.

Political affiliation was a factor, as sentiment declined for Republicans in April but not for Democrats and Independents.

Year-ahead inflation expectations moved up to 3.2% in April from 2.9% last month.

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