St. Croix Valley Dashboard for November 2015 Released

The UW-River Falls Center for Economic Research (CER) in partnership with the St. Croix Economic Development Corporation (SCEDC) has released the latest edition of the St. Croix Valley Economic Dashboard. The dashboard is a snapshot of economic conditions in labor, consumer, agricultural and housing markets for the seven county St. Croix Valley. It presents the latest available data in one convenient package and can be viewed on the CER's website at www.uwrf.edu/cer.

The Harvest Season in Wisconsin

There were 4.9 days suitable for fieldwork during the week ending November 8, 2015, according to the USDA’s National Agricultural Statistics Service according to the “Wisconsin Crop Progress & Condition Report.” Farmers have harvested 76 percent of this year's corn crop as of November 8, which is 19 days ahead of last year and three days ahead of the five-year average (“Fall Cropping Weather” by Carole Curtis). Curtis further reports,

"Despite the rain, the state's topsoil moisture levels held fairly steady at 13 percent surplus, 77 percent adequate and 10 percent short to very short, while subsoil moisture levels didn’t change from the previous week’s 5 percent surplus, 81 percent adequate and 14 percent short to very short."

Fall tillage, at 63 percent complete as of November 8th, is 13 days ahead of last year and five days ahead of the five-year average. Yields are also looking to be very good. The USDA reports in Wisconsin Ag News–Crop Production that

“Wisconsin corn production is forecast at 505 million bushels, 4 percent above the 2014 production and 1 percent above the October forecast, according to the latest USDA, National Agricultural Statistics Service Crop Production report. If realized, this will be the second largest corn crop on record.

Soybean production is forecast at 93.0 million bushels, 18 percent above last year and 4 percent above the October forecast. If realized, this will be the highest soybean production on record, 13 percent above the previous high set in 2010.”
Further information about 2014 agricultural performance can be found at http://www.nass.usda.gov/Quick_Stats/Ag_Overview/stateOverview.php?state=WISCONSIN

The US Economy

Output. The story by the current macroeconomic data is mixed. Real GDP grew at a seasonally adjusted annual rate of 1.49% in the third quarter, which lower than we would like to see. Consumption remains strong, but real investment decreased by 5.64%. Capacity utilization, i.e. the fraction of overall productive capacity being used, is down slightly since one year previous, but is still very strong at 77.5%. Economic conditions are still encouraging, however the last half of 2015 is not shaping up as well as the first half.

The Philadelphia Fed’s Leading Index for the United States is forecasting 1.33% growth over the next six months.

Labor Market. Total nonfarm payroll employment increased by 271,000 in October, and the unemployment rate was essentially unchanged at 5.0 percent according to the Bureau of Labor Statistics Employment Situation Report. The number of involuntary part-time workers edged down by 269,000 to 5.8 million in October, and the number of marginally attached and discouraged workers fell by 276,000 from one year previous.

In October, average hourly earnings for all employees on private nonfarm payrolls rose by 9 cents to $25.20, following little change in September (+1 cent). Hourly earnings have risen by 2.5 percent over the year. Average hourly earnings of private-sector production and nonsupervisory employees increased by 9 cents to $21.18 in October.

The change in total nonfarm payroll employment for August was revised up from 136,000 to 153,000, and the change for September was revised down from 142,000 to 137,000. With these revisions, employment gains in August and September combined were 12,000 more than previously reported. Over the past 3 months, job gains have averaged 187,000 per month.

National Inflation. The Consumer Price Index, an inflationary indicator based on the average price of a fixed basket of consumer goods, was all but unchanged, showing a 0.03% year over year increase in September. However, leading indicators of inflation, namely the producer price index and the employment cost index are both down significantly.
Minnesota and Wisconsin

Employment. Total nonfarm employment in Wisconsin increased by 1,400, and total nonfarm employment in Minnesota decreased by 5,700. In Wisconsin, the most significant job gains occurring in Education and health services, and government. In Minnesota the picture is more mixed with significant job losses in nearly all sectors. The unemployment rate in both states changed little, 4.3% in Wisconsin, and 3.8% in Minnesota.
**Housing Market.** The Wisconsin housing market finished the third quarter well ahead of the 2014 pace. September 2015 home sales were 11.1 percent higher than September 2014, and the median price rose 4.3 percent to $155,375 over that same period. Comparing the first nine months of 2015 with the same nine months in 2014, home sales rose 12.6 percent whereas the median price increased 5.7 percent to $157,000.

-- **2015 July Home Sales Report**

The Case-Shiller Home Price Index, which is a more accurate measure of overall home prices than is median home price, continued to show improvement. The home price index has exhibited consistently positive year over year change. Moreover, the number of homes listed for sale has declined while the average listing price has increased indicating strong demand relative to supply.

**The Valley**

**Regional Indicators.** The regional labor market continues to be strong. Across the St. Croix Valley, unemployment rates fell in all counties. Labor Force and Employment increased, indicating a strengthening in employment conditions. The unemployment rate in the region remains at or below the state average for all counties.