The Virus Spread Remains Severe
Initial Unemployment Claims
MN and WI: Unemployment Rates

Unemployment Rates in Minnesota

Unemployment Rates in Wisconsin

Insured Rate
Official Rate
Continued High Numbers in Supplemental Programs

Number of people claiming continuing unemployment benefits, by program

Note: *Reflects Pandemic Emergency Unemployment Compensation for those who exhausted other programs.  †Reflects Pandemic Unemployment Assistance for self-employed and others not typically eligible.
Source: Labor Department
Wisconsin: Measures of Job Loss
Wide Variation in Job Loss By Sector

Source: U.S. Bureau of Labor Statistics
WI Small Business: Employment Fallen Recently

Source: Homebase
Dining at Restaurants has Fallen in Many Locations

Seated diners from online, phone and walk-in reservations, change from previous year

Note: Seven-day moving average
Source: OpenTable
Wisconsin: Economic Activity from Foot Traffic

Not much change since July.
Total activity down 31%, health care only 3%, “information” down 48%.

Source: SafeGraph
Wisconsin: Economic Activity from Foot Traffic

Madison (-40%) has fared worse than Milwaukee (-26%) & rest of state (-30%)
Private Measures of Spending Recovered Quickly...

Aggregate Consumer Activity

4 Week Trailing YOY Growth
Spending was Supported by Government Benefits...

**Helping Hand**

Unemployment insurance and other government social benefits lifted household incomes when the pandemic hit and millions of Americans lost their jobs.

**U.S. personal income, monthly**

$22.5 trillion

Note: Seasonally adjusted annual rate; does not deduct contributions for government social insurance

Source: Commerce Department
With a Big Change in How Purchases are Made...

Aggregate Consumer Activity by Channel
And Big Changes in Consumption Patterns

4 Week Trailing YoY Growth by Category for Week Ending 10/28/2020

- Specialty Food & Beverage: 1.5x
- Finance: 1.4x
- Home: 1.3x
- Sporting Goods: 1.3x
- Electronics: 1.2x
- Home Entertainment: 1.2x
- Digital Services: 1.2x
- Pets: 1.2x
- Autos: 1.1x
- General Merchandise: 1.1x
- Restaurants: 1.1x
- Hobbies & Toys: 1.1x
- Grocers: 1.1x
- Healthcare & Insurance: 1.1x
- Telecommunication: 1.1x
- Health & Beauty: 1.1x
- Specialty: 1.1x
- Charitable Giving: 1.1x
- Fitness: 1.0x
- Apparel & Accessories: 1.0x
- Occasion & Gifts: 1.0x
- Department Stores: 1.0x
- Travel & Transportation: 1.0x
- Events & Attractions: 0.8x
- Specialty Food & Beverage: 0.5x
- Finance: 0.3x
Looking into 2021

- Good news on vaccines recently, but will take months for roll-out and distribution. Expect more of the same for 6-9 months at least.
- During lockdowns, surprises were on downside. During recovery surprises have been on the upside. But rate of improvement has slowed.
- Government support programs coming to an end, but previous dire “fiscal cliff” predictions have not borne out.
- Looks like divided government (GA?) – less policy activity but also less risk. Some additional stimulus likely, but maybe not until January.
- Market participants more optimistic than forecasters, academics