

# April 2017 Dashboard for St. Croix Valley Released



Dr. Logan Kelly

The April 2017 edition of the St. Croix Valley Economic Dashboard has been released by the Center for Economic Research (CER) at UW-River Falls, in partnership with St. Croix Economic Development Corporation (SCEDC). The Dashboard is a snapshot of economic conditions in labor, consumer, agricultural and housing markets for the seven county St. Croix Valley, which includes Polk, St. Croix, Pierce, and Dunn counties in Wisconsin and the Minnesota counties of Chisago, Washington, and Ramsey. It presents the latest available data in one convenient package (note: most regional data is available with a one or two month delay).

The 4-page Dashboard can be viewed on the CER's website, at [www.uwrf.edu/CenterforEconomicResearch](http://www.uwrf.edu/CenterforEconomicResearch) (select: St. Croix Valley Dashboard, then click to download the latest edition and scroll to view all 4 pages).

Dr. Logan Kelly, Director of CER, conducts the research for the Dashboard and offered his observations:

## Local Housing Market

"The Months of Housing Inventory estimates how many months it would take to sell all currently listed homes if the number of homes sold remains constant at current levels.

The Sale to List Price ratio is the median sale price as a percent of the median listing price. The closer this ratio is to 100% the closer listing and sale prices match. A high ratio is an indicator of a seller's market and a low ratio is an indicator of a buyer's market.

Dunn County's housing market, being a sellers' market favorite, has now turned its tables and joined the buyers' market. The Sale to List Price ratio is constantly dropping from the past two months and has reached 59.1% from 85.4%. This is a fifty-one percent drop from the past two months. Pierce County experienced a slight increase from 75% to 79.1%. On the other hand, Polk is in favor of sellers' market with a radical increase from 79.4% to 94.3%. St. Croix jumped right back to a sellers' market by going down this month by 11% to 74.9%. In comparison to last month's data, Months of Housing Inventory has increased for all counties. Dunn County increased by 4.1%, reflecting a nine month waiting period as of now. Pierce has increased by 1.8%, leaving it at 5.9 months. Polk has gone up by 3.0%, standing at 8 months. St. Croix has a negligible increase of 0.1% with no alteration in the waiting period."

## U.S. Economy

Output: "Real gross domestic product increased 0.22% percent in comparison to last month's data. The Real consumption factor has increased 0.52%. The Real investment continues to rise with a slight increase of 0.13%, whereas the Real Government spending has shown a slight decrease of 0.18%. The Employment Cost Index continues to show negative growth in the month of November. Nevertheless, at the same time, Initial Claims, a measure for the number of jobless claims filed by individuals seeking to receive state jobless benefits, continues to decrease in number. Initial claims went down to 24,000 in March 2017. This indicates that the labor market is doing well and less people are claiming unemployment benefits. The total nonfarm employment shows a slight decrease to 2,185,000 in March 2017."

**Labor Market:** "The Employment Situation Report (Bureau of Labor Statistics), released on April 7, 2017, reported that the unemployment rate declined to 4.5 % in March, and total nonfarm payroll employment edged up by 98,000. Major employment gains occurred in professional and business services and in mining, while retail trade lost jobs.

As per the Household Survey Data, the number of unemployed persons declined by 326,000 to 7.2 million. The U.S. unemployment rate decreased by 0.2%, and stand at 4.5 percent March. Both measures were down over the year. Among the major worker groups, the unemployment rates for adult women (4.0 percent), Whites (3.9 percent), and Hispanics (5.1 percent) dropped in March. The unemployed rates for adult men (4.3 percent), teenagers (13.7 percent), Blacks (8.0 percent), and Asians (3.3 percent) showed little or no change.

Employment in professional and business services rose by 56,000, about in line with the average monthly gain over the prior 12 months, according to the Establishment Survey Data, as reported in March.

Mining added 11,000 jobs in March. Its employment has risen by 35,000 since reaching a recent low in October 2016. In March, employment sustained to trend upward in health care (+14,000). Employment in financial activities has increased by 178,000 over the past 12 months. Employment in construction has been trending up since late last summer, largely among specialty trade contractors and in residential building.

## Home Price Index

	Release Date	Change from one year ago	Change from last month
National <sup>1</sup>	Jan '17	5.5% ↑	10.3% ↑
Minneapolis <sup>1</sup>	Jan '17	5.3% ↑	5.8% ↑
Chicago <sup>1</sup>	Jan '17	5.6% ↑	15.3% ↑
Minnesota <sup>2</sup>	Q4 '16	4.8% ↑	5.9% ↑
Wisconsin <sup>2</sup>	Q4 '16	4.3% ↑	8.5% ↑

Note: Data is seasonally adjusted and percent change is reported in the table. (1) Case-Shiller Home Price Index. (2) St. Louis Federal Reserve House Price Index.

Source: (1) Standard & Poor's® (2) Federal Reserve Bank of St. Louis

Retail trade lost 30,000 jobs in March. Employment in other major industries, including manufacturing, wholesale trade, transportation and warehousing, information, leisure and hospitality, and government, showed little or no change over the month."

**National Inflation and Interest Rates:** "Consumer prices in the United States increased 2.4% year-on-year in March 2017, which is lower than the 2.7 percent reported in February and below market expectations of 2.6%. It is the lowest point over the past three months. The Consumer Price Index (CPI) decreased to 243.75 Index Points in March from 244.46 Index Points in February. The CPI in the United States averaged 108.20 Index Points from 1950 until 2017, reaching an all-time high of 244.46 Index Points in February of 2017 and a record low of 23.51 Index Points in January of 1950 as per data collated by Tradingeconomics.com."

**Employment:** "As per the Bureau of Labor Statistics, Wisconsin's unemployment rate at stands at 3.7% and 4.0% in Minnesota. Wisconsin showed statistically significant employment changes from January 2017 to February 2017, about 11,100 i.e. 0.4 percent. The percentage change in nonfarm employment in Wisconsin stands at 0.1% to 1.0%, and Minnesota, at a slightly higher range of 1.1% to 2.0%."

**Housing Market:** "According to the Wisconsin REALTORS® Association (WRA) analysis of the state housing market, existing home sales slipped in February even as prices continued to grow well above the rate of inflation. Specifically, home sales fell 2.6 percent in February 2017 relative to February 2016, and the median price rose 6.1 percent to \$154,900 over that same period. In contrast, the annual inflation rate stood at 2.5 percent in January, the most recent month available."

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**WRA Summary:** "Needless to say, February is not a month where we see a lot of home sales in Wisconsin, but we would have expected stronger sales given the strength of the economy and relatively low mortgage rates," said Erik Sjowall, WRA board chairperson. The statewide unemployment rate fell to 3.9 percent in January, which puts it at the lowest level since December 2000. Remarkably, housing remains quite affordable, but there is no doubt that affordability is slipping and is likely to fall even further if mortgage rates increase as expected over the next year. The Wisconsin Housing Affordability Index measures the fraction of the median-priced home that a creditworthy borrower with median family income can qualify to buy, given a 20 percent down payment and the remaining balance financed with 30-year fixed-rate mortgage. The index stood at 233 in February, down from 251 in February of last year, which is a 7.2 percent decline in affordability. Mortgage rates dropped to 3.44 percent in July of last year but have moved up nearly three quarters of a percent to 4.17 percent in February. "While inflation was relatively stable over the first half of 2016, it has definitely accelerated since that time," said WRA President & CEO Michael Theo.

**Housing Market in the Twin Cities:** "With inventory and months of supply stressed to keep up with demand, it will be unusual for some weeks. Pending sales are declining every year, especially new listings dropping below the standards set. We can endure to see sales prices forge their way upward and affordability go downward which is expected to be a pleasant spring and summer for sellers. From data provided by Minneapolis Area Association of REALTORS, new listings increased in the Twin Cities region 1.4% to 2,013 whereas pending sales decreased 9.1% to 1,337 and inventory decreased 21.7% to 10,188. For the month of March, the median sales price increased 7.0% to \$237,500 whereas days on the market decreased 14.1% to 73. While Percent of Original List Price Received increased 1.3% to 98.1%, the Months' Supply of Homes for Sale decreased 19.2% to 2.1."

For the April 2017 market summary of the Minneapolis area, click on the link to view a two and half minute video called The Skinny (Source: Minneapolis Area Association of REALTOR®):

<http://www.mplsrealtor.com/videos/>

### About the St. Croix Valley

The Wisconsin-Minnesota St. Croix Valley is comprised of Polk, St. Croix, Pierce, and Dunn counties in Wisconsin and Chisago, Washington, and Ramsey counties in Minnesota. All seven counties are located at or near the Wisconsin-Minnesota border, along the St. Croix River, a federally-protected water resource. Five of the seven counties (St. Croix, Pierce, Chisago, Washington, and Ramsey) are included in the Minneapolis-St. Paul-Bloomington MN-WI MSA, a 16-county region with a population of slightly more than 3.5 million residents.

For additional information on the St. Croix Valley Economic Dashboard, contact Dr. Logan Kelly at cer@uwrf.edu or (715) 425-4993.

# Saint Croix Valley Economic Dashboard for April 2017

## UWRF Center of Economic Research

### National Indicators

Indicator	Release Date	Rate	Change from One Year Ago
Unemployment	Mar '17	4.50%	-0.50 ↓
Inflation	Mar '17	2.38%	1.50 ↑
Real GDP Growth	Q4 '16	2.08%	-1.88 ↓

*Note: Real GDP data is released quarterly. Inflation, Real GDP and Coincident indicator are presented as a seasonally adjusted annual rate. Simple change is reported. Leading Index of economic activity is expressed as a seasonally adjusted semi annual growth rate.*

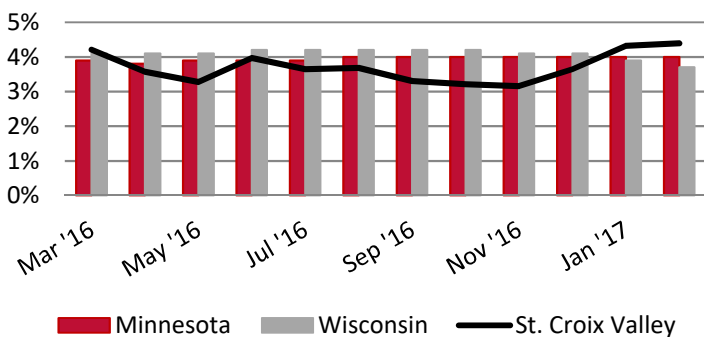
*Source: (1) U.S. Bureau of Labor Statistics, (2) U.S. Bureau of Economic Analysis, (3) Federal Reserve Bank of Philadelphia*  
*Arrows indicate direction of annual change.*

### State Level Indicators

	Release Date	Minnesota	Wisconsin
Unemployment	Feb '17	4.0% ↑	3.7% ↓
Employment	Feb '17	2,921,300 ↑	2,950,800 ↑
Labor Force	Feb '17	3,012,927 ↑	3,130,714 ↑
Coincident Indicator	Feb '17	2.72% ↑	13.41% ↑
Leading Indicator	Jan '17	1.24% ↑	2.82% ↑
Average Weekly Mfg Hours	Feb '17	41.3 ↑	39.4 →

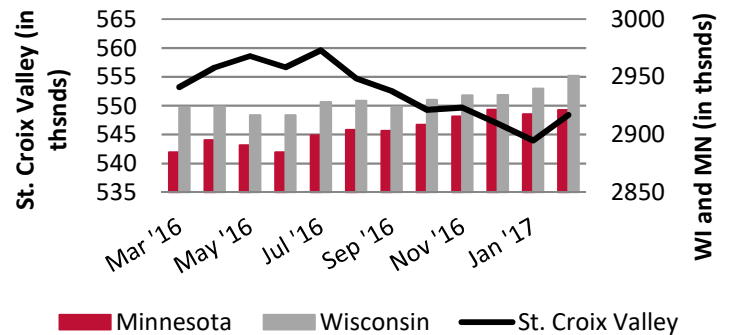
### Unemployment Rate

	Feb '17	Change from one year ago	Change from last month
Region*	4.4%	0.06 ↑	0.07 ↑
MSA†	3.8%	0.30 ↑	0.10 ↑
Wisconsin	3.7%	-0.50 ↓	-0.20 ↓
Dunn	4.9%	-1.20 ↓	0.30 ↑
Pierce	5.1%	-0.70 ↓	0.20 ↑
Polk	6.2%	-1.40 ↓	0.50 ↑
St. Croix	4.6%	-0.90 ↓	0.40 ↑
Minnesota	4.0%	0.10 ↑	0.00 →
Chisago	6.1%	0.70 ↑	-0.10 ↓
Ramsey	4.1%	0.30 ↑	0.00 →
Washington	4.0%	0.40 ↑	0.00 →



### Employment Level

	Feb '17	Change from one year ago	Change from last month
Region*	548,417	-0.98% ↓	0.81% ↑
MSA†	1,979,700	1.74% ↑	0.24% ↑
Wisconsin	2,950,800	0.96% ↑	0.38% ↑
Dunn	23,927	3.61% ↑	3.71% ↑
Pierce	23,712	0.77% ↑	0.09% ↑
Polk	23,579	0.73% ↑	-0.23% ↓
St. Croix	48,058	1.59% ↑	0.35% ↑
Minnesota	2,921,300	1.27% ↑	0.13% ↑
Chisago	27,443	-2.18% ↓	0.57% ↑
Ramsey	269,124	-1.65% ↓	0.83% ↑
Washington	132,574	-1.68% ↓	0.80% ↑



*Note: Data for Wisconsin and Minnesota is seasonally adjusted. Other data is not seasonally adjusted and simple change is reported.*

*Source: U.S. Bureau of Labor Statistics*

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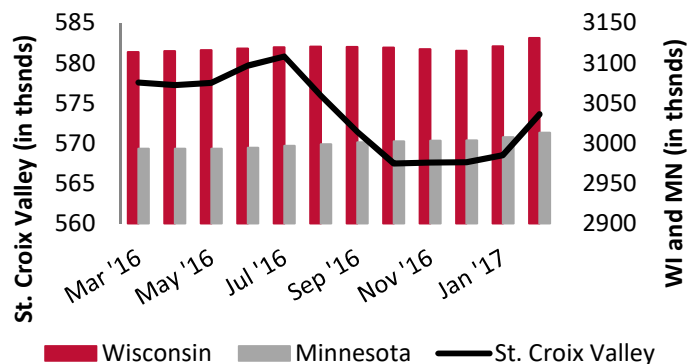
\*Throughout this publication "Region" refers to the seven county Saint Croix Valley except where otherwise noted

†Throughout this publication, "MSA" refers to the Minneapolis-St. Paul-Bloomington metro area



## Labor Force

	Feb '17	Change from one year ago	Change from last month
<b>Region*</b>	573,612	-0.91% ↓	0.89% ↑
<b>MSA†</b>	1,952,465	-1.40% ↓	0.64% ↑
<b>Wisconsin</b>	3,130,714	0.60% ↑	0.33% ↑
Dunn	25,160	2.34% ↑	4.02% ↑
Pierce	24,986	0.03% ↑	0.30% ↑
Polk	25,137	-0.77% ↓	0.30% ↑
St. Croix	50,375	0.64% ↑	0.77% ↑
<b>Minnesota</b>	3,012,927	0.68% ↑	0.19% ↑
Chisago	29,226	-1.43% ↓	0.47% ↑
Ramsey	280,630	-1.34% ↓	0.83% ↑
Washington	138,098	-1.27% ↓	0.80% ↑



Note: Data for Wisconsin and Minnesota is seasonally adjusted. Other data is not seasonally adjusted and percentage change is reported.

Source: U.S. Bureau of Labor Statistics

## Wisconsin Employment by Sector

Sector	Feb 2017	Change from Last Month
<b>Total Nonfarm</b>	2,950,800	11,100 ↑
Mining and Logging	4,000	100 ↑
Construction	113,800	-800 ↓
Manufacturing	468,700	600 ↑
Trade, Transportation & Utilities	543,600	1,800 ↑
Information	48,300	500 ↑
Financial Activities	153,300	-700 ↓
Professional and Business Services	323,300	1,500 ↑
Education and Health Services	449,100	-1,500 ↓
Leisure and Hospitality	278,200	5,200 ↑
Other Services	151,800	900 ↑
Government	416,700	3,500 ↑

Note: All data is seasonally adjusted and percentage change is reported

Source: U.S. Bureau of Labor Statistics

## Minnesota Employment by Sector

Sector	Feb 2017	Change from Last Month
<b>Total Nonfarm</b>	2,921,300	3,800 ↑
Mining and Logging	6,600	100 ↑
Construction	122,100	4,500 ↑
Manufacturing	318,100	1,100 ↑
Trade, Transportation & Utilities	540,300	5,700 ↑
Information	49,700	-700 ↓
Financial Activities	177,100	-200 ↓
Professional and Business Services	368,800	-3,100 ↓
Education and Health Services	534,300	800 ↑
Leisure and Hospitality	261,800	-2,800 ↓
Other Services	117,900	800 ↑
Government	424,600	-2,400 ↓

Note: All data is seasonally adjusted and percentage change is reported

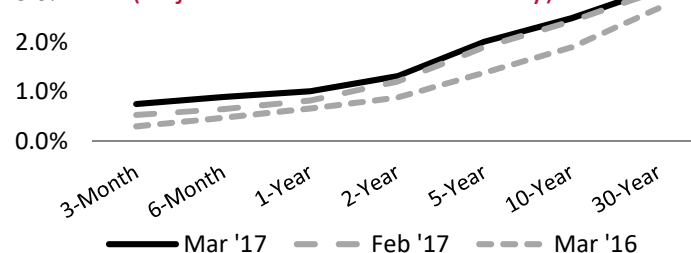
Source: U.S. Bureau of Labor Statistics

## Selected Interest Rates

Interest Rate	Release date	Level	Change from one year ago
<b>Bank Prime Rate</b>	Mar '17	3.88%	0.38 ↑
<b>30-Year Fixed Rate Mortgages</b>	Apr '17	4.08%	-0.01 ↓
<b>Average Rate for SBA Backed Loans</b>	Q1 '17	5.42%	3.61 ↑

Source: Federal Reserve Board of Governor.

## Treasury Security Yield Curve (Adjusted for Constant Maturity)



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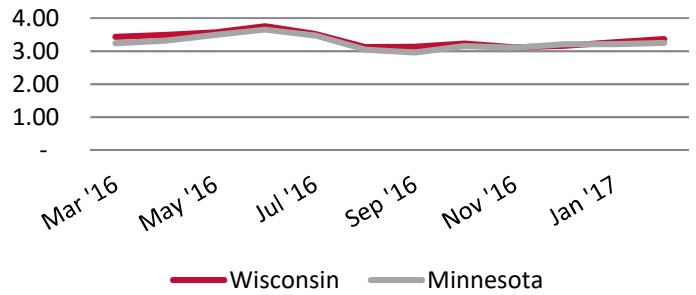
### Agricultural Commodity Prices

	Feb '17	Change from Last Month	Change from One Year Ago
<b>Corn<sup>1</sup></b>			
Minnesota	\$3.25	1.2% ↑	-1.8% ↓
Wisconsin	\$3.36	2.7% ↑	-2.4% ↓
<b>Soybeans<sup>2</sup></b>			
Minnesota	\$9.54	1.7% ↑	16.1% ↑
Wisconsin	\$9.85	2.1% ↑	14.2% ↑
<b>Alfalfa<sup>3</sup></b>			
Minnesota	\$77.00	-8.7% ↓	-15.6% ↓
Wisconsin	\$92.00	11.5% ↑	10.3% ↑
<b>Milk<sup>4</sup></b>			
Minnesota	\$18.70	-2.1% ↓	15.0% ↑
Wisconsin	\$19.00	-1.6% ↓	16.6% ↑
<b>Milk Cow<sup>5</sup></b>			
	Avg. Price as of First of Qtr	Annual Change	
Minnesota	Q1 '17	\$1,490.00	-14.9% ↓
Wisconsin	Q1 '17	\$1,730.00	-9.9% ↓

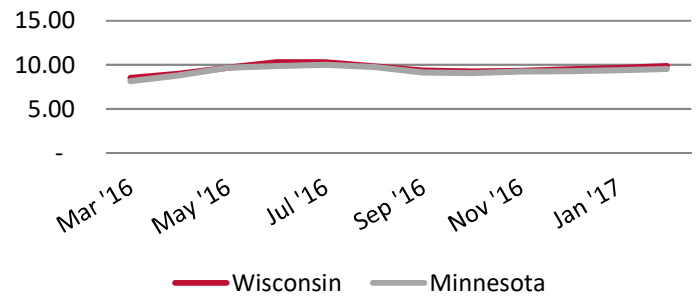
Note: (1) Wholesale price received per bushel of corn. (2) Wholesale price received per bushel of soybeans. (3) Price received per ton. (4) Wholesale price received per hundredweight of milk. (5) Price received per head.

Source: USDA, National Agricultural Statistics Service

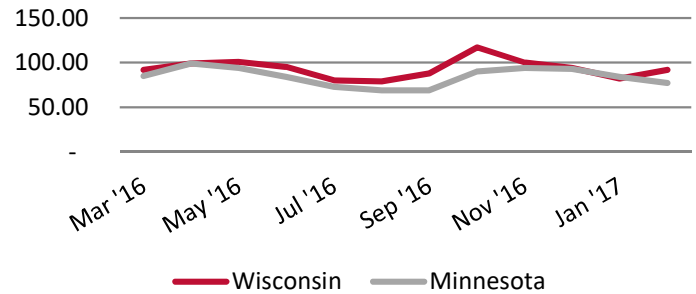
### Corn Price per Bushel



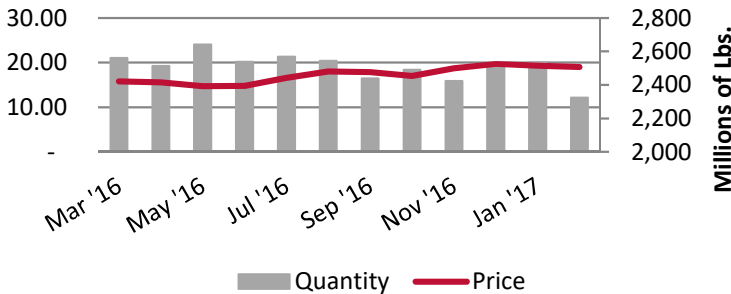
### Soybean Price per Bushel



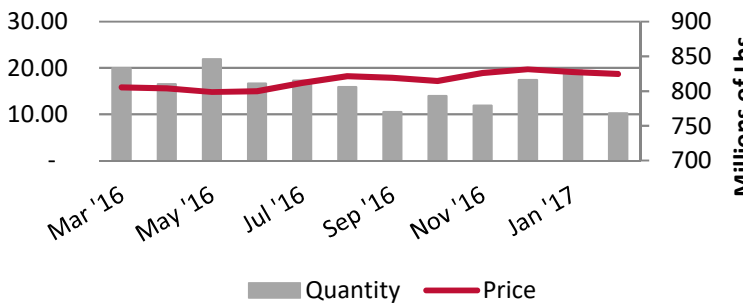
### Alfalfa Price per Ton



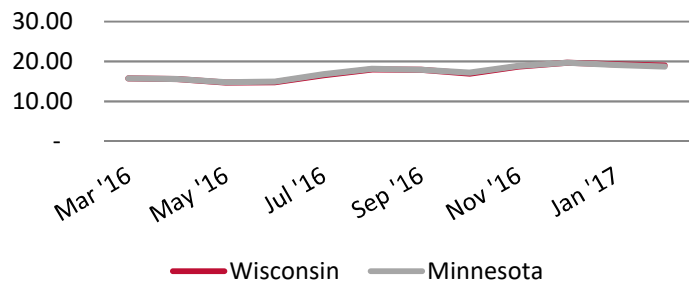
### Wisconsin Milk



### Minnesota Milk



### Milk Cow Price per Head



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Source: (1) Standard & Poor's® (2) Federal Reserve Bank of St. Louis

## Months of Housing Inventory

	Feb '17	Change from one year ago	Change from last month
Dunn	9.0	2.6 ↑	4.1 ↑
Pierce	5.9	-1.7 ↓	1.8 ↑
Polk	8.1	2.1 ↑	3.0 ↑
St. Croix	4.7	-2.0 ↓	0.1 ↑

## Sale to List Price Ratio

	Feb '17	Change from one year ago	Change from last month
Dunn	59.1%	-30.6 ↓	-26.3 ↓
Pierce	79.1%	-18.0 ↓	3.5 ↑
Polk	94.3%	14.9 ↑	14.9 ↑
St. Croix	74.9%	-12.9 ↓	-11.0 ↓

Note: Data is not seasonally adjusted and simple change is reported in the table.

Source: Wisconsin Realtors Association® and <http://www.trulia.com/>

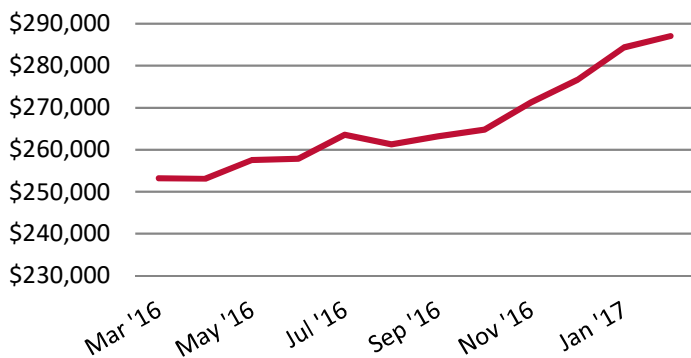
## Median Home Listing Price

Region*	Feb '17	Change from one year ago	Change from last month
Region*	\$ 287,063	15.01% ↑	0.94% ↑
<b>Wisconsin</b>			
Dunn	\$ 162,400	11.40% ↑	2.12% ↑
Pierce	\$ 212,450	6.09% ↑	-5.74% ↓
Polk	\$ 175,000	2.96% ↑	2.96% ↑
St. Croix	\$ 266,900	10.46% ↑	-0.69% ↓
<b>Minnesota</b>			
Chisago	\$ 263,900	9.53% ↑	1.53% ↑
Ramsey	\$ 219,900	7.07% ↑	4.65% ↑
Washington	\$ 379,900	15.64% ↑	-0.53% ↓

## Number of Homes Listed

Region*	Feb '17	Change from one year ago	Change from last month
Region*	2493	-21.57% ↓	2.07% ↑
<b>Wisconsin</b>			
Dunn	180	-24.51% ↓	4.55% ↑
Pierce	136	-33.44% ↓	2.99% ↑
Polk	290	3.87% ↑	2.80% ↑
St. Croix	354	-18.98% ↓	4.04% ↑
<b>Minnesota</b>			
Chisago	151	-14.18% ↓	4.75% ↑
Ramsey	688	-41.89% ↓	-4.55% ↓
Washington	694	-7.23% ↓	6.24% ↑

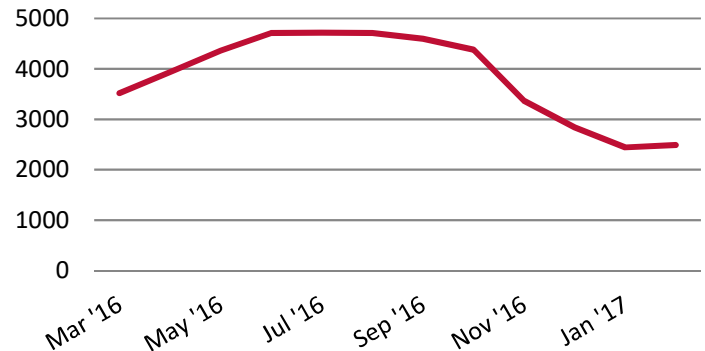
## Regional Home Listing Price



Note: Data is not seasonally adjusted. Percent change is reported.

Source: <http://www.trulia.com/>

## Number of Regional Home Listings



Note: Data is not seasonally adjusted. Percent change is reported.

Source: <http://www.trulia.com/>

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