The Wisconsin Economy & Economic Outlook

Steven Deller
Economic Development Administration University Center
Department of Agricultural and Applied Economics
Division of Extension
University of Wisconsin-Madison

UW-Madison Wisconsin Agricultural Outlook Forum
January 2024
Employment Growth Index

Source: BLS
Unemployment Rate

Source: BLS
Wisconsin Labor Market Trends

Source: Wisconsin Department of Workforce Development
The only function of economic forecasting is to make astrology look respectable.”

John Kenneth Galbraith

THE WALL STREET JOURNAL.

It Won’t Be a Recession—It Will Just Feel Like One

Economists, in survey, pare back probability of recession in 2024, but still see anemic growth and rising unemployment

By Harriet Torry [Follow] and Anthony DeBarros [Follow]
Jan. 14, 2024 5:30 am ET
January 14, 2024  Wall Street Journal Quarterly Survey of Economic Forecasters

Respondents = 66

Comerica Bank
Raymond James Financial
Capital Economics
Deloitte Insights
The Economic Outlook Group
Cumberland Advisors
Visa
Boston College Economics
TS Lombard
Nationwide
RSM US
Wells Fargo
Econoclast
NatWest Markets
AC Cutts & Associates/National Association for Credit Management
EY-Parthenon
Georgia State University
National Association of Home Builders
Fannie Mae
PNC Financial Services Group
California Lutheran University
Mortgage Bankers Association
Robert Fry Economics
Societe Generale
Bank of America Securities
American Financial Services Association
Goldman Sachs Group
CoreLogic
Scotiabank
Evercore ISI
National Retail Federation
ING Financial Markets
The Lonski Group

Research Seminar in Quantitative Economics, University of Michigan
National Automobile Dealers Association
National Association of Manufacturers
Naroff Economics
UCLA Anderson Forecast
S&P Global Ratings
UBS Securities
BMO Capital Markets
S&P Global Market Intelligence
Ameriprise Financial
BNP Paribas
St. Mary’s University College of Arts, Humanities and Social Sciences
Deutsche Bank Securities
Pantheon Macroeconomics
Decision Economics
EconForecaster
University of Central Florida
SS Economics
Santander US Capital Markets
Economic Analysis Associates
JPMorgan
Oxford Economics
Independent Commodity Intelligence Services
KPMG
Northern Trust
ACT Research
Beacon Economics
Wilmington Trust Investment Advisors
Eaton
Daiwa Capital Markets America
First Trust Advisors
National Association of Realtors
Morgan Stanley
Real GDP (Quarterly, Annualized Growth Rate)

Fourth Quarter 2023: 1.65
First Quarter 2024: 0.94
Second Quarter 2024: 0.55
Third Quarter 2024: 0.89
Unemployment Rate

- June 2024: 4.1%
- Dec 2024: 4.3%
- June 2025: 4.2%
- Dec 2025: 4.1%
- June 2026: 4.0%
- Dec 2026: 4.0%

Simple Average:
- Wisc: 5.3%
- Ill: 6.8%
- Minn: 4.7%
- Mich: 7.7%
- Iowa: 4.5%
On June 30, 2024
Closing Yield, 10-Year Treasury notes

On Dec. 31, 2024

On June 30, 2025

On Dec. 31, 2025

On June 30, 2026

On Dec. 31, 2026
The Federal Open Markets Committee sets the federal funds rate—also known as the federal funds target rate or the fed funds rate—to guide overnight lending among U.S. banks. It's set as a range between an upper and lower limit.
At which meeting do you expect the Federal Reserve to make its next rate CUT?

- Jan 30-31, 2024
- March 19-20, 2024
- April 30-May 1, 2024
- June 11-12, 2024
- July 30-31, 2024
- Sept. 17-18, 2024
- Nov. 6-7, 2024
- Dec. 17-18, 2024
- 2025 or later
Probability of a Recession in the Next 12 Months

- **Average**: 39.2
- **Median**: 40.0
- **Mode**: 55.0
- **Standard Deviation**: 18.2
Steven Deller

scdeller@wisc.edu

Department of Agricultural and Applied Economics
Economic Development Administration, University Center