
WEEK IN REVIEW | REINHART FIXED INCOME BY MADISON INVESTMENTS

April 5, 2024

EMPLOYMENT

Nonfarm payrolls rose by 303,000 jobs in March, outpacing the consensus estimate of 214,000. The unemployment rate fell to 3.8% from 3.9% while labor force participation increased to 62.7% from 62.5%. Average hourly earnings grew by 0.3% and are up 4.1% year-over-year.

Our Take: The labor market remains robust. Next week's CPI report looms large as the Fed has claimed they may cut rates when growth is strong as long as inflation is contained. For now, the employment report allows the Fed to remain patient.

MUNICIPALS

Wisconsin held its spring election on Tuesday. Statewide, 93 school referendum questions appeared on ballots with districts asking voters to approve over \$1.45 billion. After the tally, it was reported that 56 of the 93 referendums have passed. The largest to pass was a \$252 million recurring referendum for Milwaukee Public Schools, which implements an increase in property taxes to generate additional funds for the school district, avoiding a budget shortfall.

Our Take: School districts in Wisconsin have turned to voters to approve additional funding through referendums if property taxes along with state aid, which is capped, are not enough. While some districts have asked voters to approve funding for construction or maintenance projects, others with a budget shortfall looming have sought money to pay for operating expenses to avoid cutting services or staff.



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Madison Investment Holdings, Inc. acquired the fixed income management assets of Reinhart Partners, Inc. on June 11, 2021 and now employs the Investment Team that previously managed the assets at Reinhart. The Investment Team manages the assets using substantially the same strategies and objectives as at Reinhart. Performance information dated prior to the purchase reflects that of Reinhart Partners, Inc.

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The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.