

# MICHIGAN ECONOMIC INDICATORS

A newsletter on key economic indicators prepared by the Senate Fiscal Agency.

## ECONOMIC HIGHLIGHTS



- The preliminary estimate for **inflation-adjusted gross domestic product (GDP)** indicated that the economy contracted at a 0.7% seasonally adjusted annual rate in the first quarter of 2015, down from the advance estimate of 0.2% growth. The revision reflected that imports in the first quarter were greater, and inventory investment less, than initially estimated. While personal consumption spending added 1.2% to the growth rate, nonresidential investment, net exports, and government spending all reduced GDP growth.

- In April 2015, the **trade-weighted value of the dollar** against a broad mix of currencies declined 1.0% from the March 2015 peak but was still 12.2% above the level in April 2014. The value of the dollar in March 2015 was at its highest level since May 2004.



- Michigan **inflation-adjusted gross domestic product** increased 1.9% in 2014, ranking Michigan 20<sup>th</sup> among the 50 states and the District of Columbia. The fastest growth occurred in states such as North Dakota, Texas, and Wyoming, which have large energy extraction industries. Among Great Lakes states, only Ohio exhibited stronger growth, ranking 18<sup>th</sup> with 2.1% growth. Minnesota ranked 28<sup>th</sup> with 1.4% growth, followed by Illinois (29<sup>th</sup>/1.2%), Wisconsin (33<sup>rd</sup>/1.0%), and Indiana (45<sup>th</sup>/0.4%).
- Year-to-date **residential building permits** in Michigan were up 24.4% in April 2015 from the level in April 2014. While year-to-date permits for single-family units in April 2015 were up 15.3% from April 2014, structures with five or more units exhibited the strongest growth, up 89.3% from 2014.

### U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)

U.S.	Apr. 2015	Mar. 2015	Apr. 2014	Change from Mar.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	157,072	156,906	155,420	166	0.1%	1,652	1.1%
Employment	148,523	148,331	145,724	192	0.1	2,799	1.9
Unemployment	8,549	8,575	9,696	(26)	(0.3)	(1,147)	(11.8)
Unemployment Rate	5.4%	5.5%	6.2%	---	---	---	---
Michigan	Apr. 2015	Mar. 2015	Apr. 2014	Change from Mar.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,741	4,747	4,751	(6)	(0.1%)	(10)	(0.2%)
Employment	4,483	4,480	4,395	3	0.1	88	2.0
Unemployment	257	267	355	(9)	(3.6)	(98)	(27.5)
Unemployment Rate	5.4%	5.6%	7.5%	---	---	---	---

Source: Bureau of Labor Statistics, U.S. Department of Labor (Household Data)



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MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Apr. 2015*	Mar. 2014	Apr. 2014	Change from Mar.		Change from Yr Ago	
				Number	Percent	Number	Percent
<b>Total Non-Agricultural Jobs</b>	4,255	4,252	4,157	3	0.1%	99	2.4%
<b>Goods Producing Industries</b>	754	753	715	2	0.2	40	5.6
Mining and Logging	8	9	8	(0)	(1.2)	0	2.4
Construction	154	153	139	2	1.1	15	10.6
Manufacturing	592	592	567	(0)	(0.0)	25	4.4
Transportation Equipment	186	186	168	1	0.5	18	10.8
<b>Service Producing Industries</b>	3,501	3,499	3,442	2	0.0	59	1.7
Trade, Transportation & Utilities	763	763	756	0	0.0	8	1.0
Wholesale Trade	169	170	167	(2)	(0.9)	2	1.2
Retail Trade	462	464	460	(1)	(0.3)	2	0.4
Transportation & Utilities	132	129	128	3	2.3	4	3.0
Information	57	58	57	(1)	(1.2)	0	0.5
Financial Activities	207	206	204	1	0.4	3	1.5
Professional & Business Services	640	637	612	3	0.4	28	4.6
Education & Health Services	652	655	643	(3)	(0.5)	9	1.4
Leisure & Hospitality Services	414	413	405	1	0.2	10	2.3
Other Services	173	171	171	1	0.8	2	1.0
Government	595	595	596	(0)	(0.1)	(1)	(0.1)

**Source:** Bureau of Labor Statistics, U.S. Department of Labor (Establishment Data) \*Preliminary

MICHIGAN AVERAGE WEEKLY HOURS AND EARNINGS						
Industry	Average Weekly Hours			Average Weekly Earnings		
	Apr. 2015	Year Ago	Percent Change	Apr. 2015	Year Ago	Percent Change
Construction	38.7	37.8	2.4%	\$951.25	\$934.79	1.8%
Manufacturing	43.9	43.6	0.7	911.36	889.00	2.5
Durable Goods	44.9	45.1	(0.4)	968.94	964.24	0.5
Transportation Equipment Mfg.	48.9	49.0	(0.2)	1,220.06	1,218.63	0.1
Motor Vehicle Parts Mfg.	47.3	45.0	5.1	1,085.54	1,054.35	3.0
Nondurable Goods	40.5	39.0	3.8	716.45	652.08	9.9
Wholesale Trade	38.9	38.0	2.4	881.09	871.72	1.1
Retail Trade	29.6	29.5	0.3	409.96	396.78	3.3
Information	34.5	33.8	2.1	856.98	897.05	(4.5)
Financial Activities	36.5	34.5	5.8	837.31	690.35	21.3
Professional & Business Services	35.3	35.6	(0.8)	793.19	830.19	(4.5)
Health Care & Social Assistance	31.3	31.5	(0.6)	597.83	601.65	(0.6)
Leisure & Hospitality	22.4	22.9	(2.2)	243.49	234.95	3.6
Accommodation & Food Services	22.4	22.8	(1.8)	234.08	221.16	5.8

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



<b>MICHIGAN UNEMPLOYMENT RATES BY SELECTED METROPOLITAN AREAS AND MULTI-COUNTY AREAS (Not Adjusted for Seasonal Variations)</b>				
	Apr. 2015	Mar. 2015	Feb. 2015	Apr. 2014
<b>Metropolitan Statistical Areas</b>				
Ann Arbor	3.2%	3.5%	3.4%	4.5%
Battle Creek	4.5	5.2	5.2	5.7
Bay City	5.4	6.3	6.4	7.0
Detroit-Warren-Livonia	5.1	6.0	6.3	7.8
Flint	5.4	6.3	6.2	7.3
Grand Rapids-Wyoming	3.3	3.9	3.9	4.6
Holland-Grand Haven	4.8	5.5	5.6	6.3
Jackson	4.2	4.9	5.0	5.7
Kalamazoo-Portage	3.9	4.5	4.6	5.7
Lansing-East Lansing	4.4	5.4	5.3	5.7
Monroe	4.1	4.7	4.7	6.5
Muskegon-Norton Shores	5.1	5.9	6.0	7.1
Niles-Benton Harbor	4.6	5.4	5.6	6.3
Saginaw-Saginaw Township North	5.2	6.1	6.1	7.0
<b>Multi-County Areas</b>				
Northeast Lower Michigan	7.6	10.0	10.3	10.4
Northwest Lower Michigan	6.1	7.4	7.5	8.2
Upper Peninsula	6.7	7.8	7.7	8.4
<b>Michigan Statewide Average</b>				
-- Unadjusted (comparable to figures shown above)	4.8	5.7	5.8	6.9

**Source:** Michigan Department of Technology, Management, and Budget

<b>MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)</b>							
	Apr. 2015	Mar. 2015	Feb. 2015	Jan. 2015	Year Ago Apr.	Percent Change From:	
						Apr./Mar.	Apr. 2015/ Apr. 2014
<b>Motor Vehicle Sales<sup>1)</sup></b>							
Autos	7,162	7,514	7,019	7,338	7,351	(4.7%)	(2.6%)
Domestics	5,210	5,397	5,148	5,433	5,195	(3.5)	0.3
Imports	1,952	2,117	1,871	1,905	2,156	(7.8)	(9.5)
Import Share	27.3%	28.2%	26.7%	26.0%	29.3%	---	---
Light Trucks	9,296	9,556	9,144	9,233	8,618	(2.7)	7.9
Domestics	7,643	7,955	7,690	7,887	7,289	(3.9)	4.9
Imports	1,653	1,601	1,454	1,346	1,329	3.2	24.4
Import Share	17.8%	16.8%	15.9%	14.6%	15.4%	---	---
Subtotal: Light Vehicle Sales	16,458	17,070	16,163	16,571	15,969	(3.6)	3.1
Heavy Trucks	424	437	427	432	414	(3.0)	2.4
Total Vehicle Sales	16,882	17,507	16,590	17,003	16,383	(3.6)	3.0
<b>U.S. Motor Vehicle Production<sup>1)</sup></b>							
Autos	4,345	4,217	3,824	4,169	4,056	3.0	7.1
<b>Michigan Motor Vehicle Production<sup>2)</sup></b>							
Autos	785	931	903	983	599	(15.8)	30.9
Trucks	1,600	1,563	1,455	917	1,714	2.4	(6.6)
Total	2,385	2,494	2,358	1,900	2,313	(4.4)	3.1
Michigan Production as % of U.S.	20.3%	21.3%	17.0%	17.0%	21.5%	---	---
<b>U.S. Motor Vehicle Inventories<sup>3)</sup></b>							
Total Car	1,715	1,734	1,757	1,743	1,805	(1.1)	(5.0)
Days Supply	67	59	73	85	69	13.6	(2.9)
Total Truck	1,911	1,906	1,886	1,899	1,901	0.3	0.5
Days Supply	63	59	66	80	69	6.8	(8.7)

**Sources:** 1) U.S. Department of Commerce, Bureau of Economic Analysis. 2) Michigan Department of Treasury, Office of Revenue and Tax Analysis and the Senate Fiscal Agency. 3) Automotive News, Crain Communications, Inc. (ending inventory, not seasonally adjusted).



OTHER KEY ECONOMIC INDICATORS

Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period*	Year Ago
<b>Index of Consumer Sentiment</b> , monthly <sup>1)</sup> (1996 Q1=100)	Apr.	95.9	93.0	84.1	3.1%	14.0%
<b>Oil Prices</b> <sup>2)</sup> (\$ per barrel, West Texas Intermediate Crude)	Apr.	\$54.45	\$47.82	\$102.07	13.9	(46.7)
<b>Housing Starts, U.S.</b> <sup>3)</sup> (thousands of units, SAAR)	Apr.	1,165	954	1,039	22.1	12.1
<b>Retail Sales, U.S.</b> <sup>3)</sup> (billions, seasonally adjusted)	Apr.	\$388.2	\$387.7	\$385.9	0.1	0.6
<b>Industrial Production Index</b> <sup>4)</sup> (1997=100, seasonally adjusted)	Apr.	105.3	105.8	103.2	(0.5)	2.0
<b>Capacity Utilization</b> <sup>4)</sup> (% of total capacity, seasonally adjusted)	Apr.	78.3	78.8	79.0	(0.7)	(0.8)
<b>Consumer Price Index</b> <sup>5)</sup> (1982-84=100)						
U.S. (seasonally adjusted)	Apr.	236.0	235.7	236.2	1.2	(0.1)
Detroit (not seasonally adjusted)	Apr.	219.0	216.5	223.3	7.2	(1.9)
<b>Interest Rates</b>						
3-month Treasury Bill <sup>4)</sup>	Apr.	0.02%	0.03%	0.03%	---	---
Corporate Aaa Bonds <sup>4)</sup>	Apr.	3.52%	3.64%	4.24%	---	---
<b>Real Gross Domestic Product</b> <sup>6)</sup> (billions of 2005 \$, SAAR, Chain-Weighted)	2015 1st Quarter	\$16,264.1	\$16,294.7	\$15,831.7	(0.7)	2.7
<b>Michigan Tax Collections</b> <sup>7)</sup> (12 major taxes, millions)	Apr.	\$1,853.3	\$1,235.7	\$1,899.3	NM	(2.4)

SAAR = Seasonally Adjusted at Annual Rates. NM = Not Meaningful.  
Revenue data vary greatly from month-to-month due to timing and other noneconomic factors.  
\*Note: Percent changes from previous period for CPI and GDP at annual rate.

**Sources:** 1) Reuters/University of Michigan Surveys of Consumers. 2) Dow Jones & Company/Federal Reserve Bank of St. Louis. 3) U.S. Department of Commerce, Bureau of the Census. 4) Board of Governors of the Federal Reserve System. 5) U.S. Department of Labor, Bureau of Labor Statistics. 6) U.S. Department of Commerce, Bureau of Economic Analysis. 7) Michigan Department of Treasury and the Senate Fiscal Agency.

