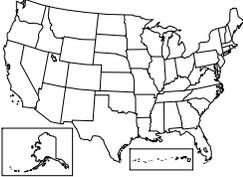


# MICHIGAN ECONOMIC INDICATORS

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

## ECONOMIC HIGHLIGHTS



- The **value of the dollar** increased 3.8% against major currencies in January 2015 from the December 2014 level, to 13.3% above the level in January 2014 and the highest value since June 2004. The value of the dollar against major currencies in January 2015 was up 26.6% from the modern record-low set in August 2011.
- The **U.S. unemployment rate** decreased to 5.7% in January 2015, down from 6.6% one year ago but up from 5.6% in December 2014. Since January 2014, employment has increased by 3.0 million jobs, and 759,000 of that gain occurred between December 2014 and January 2015. Similarly, the labor force (those working or looking for work) increased by 1.7 million people over the last year, with a 1.1 million increase between December 2014 and January 2015 accounting for 62.0% of the total.



- Michigan wage and salary employment** increased by 24,000 jobs in January 2015 from the December 2014 level. The January level of wage and salary employment was 98,000 jobs above the year-ago level, and the highest level since January 2008. Compared to one year ago, the most significant increases were in transportation equipment manufacturing (17,000 jobs, up 10.1%), construction (13,000 jobs, up 9.6%), and professional/business services (32,000 jobs, up 5.3%), while the only sectors to exhibit declines were other services (1,000 jobs, 0.5%) and government (4,000, 0.7%).
- Michigan's unemployment rate** decreased from 6.4% in December 2014 to 6.3% in January 2015, but was down from 7.9% in January 2014. Compared to January 2014, the decrease in the unemployment rate occurred despite an increase of 15,000 people in the labor force and reflected a 91,000 increase in the number employed and a 77,000 decrease in the number of people unemployed.

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

U.S.	Jan. 2015	Dec. 2014	Jan. 2014	Change from Dec.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	157,180	156,129	155,486	1,051	0.7%	1,694	1.1%
Employment	148,201	147,442	145,206	759	0.5	2,995	2.1
Unemployment	8,979	8,688	10,280	291	3.3	(1,301)	(12.7)
Unemployment Rate	5.7%	5.6%	6.6%	--	--	--	--
Michigan	Jan. 2015	Dec. 2014	Jan. 2014	Change from Dec.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,763	4,748	4,748	15	0.3%	15	0.3%
Employment	4,464	4,442	4,373	22	0.5	91	2.1
Unemployment	298	306	375	(7)	(2.3)	(77)	(20.4)
Unemployment Rate	6.3%	6.4%	7.9%	--	--	--	--

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



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MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Jan. 2015*	Dec. 2014	Jan. 2014	Change from Dec.		Change from Yr Ago	
				Number	Percent	Number	Percent
<b>Total Non-Agricultural Jobs</b>	4,242	4,218	4,144	24	0.6%	98	2.4%
<b>Goods Producing Industries</b>	749	738	712	11	1.5	37	5.2
Mining and Logging	9	9	8	0	1.2	0	4.8
Construction	151	145	137	6	4.1	13	9.6
Manufacturing	590	585	566	5	0.8	24	4.2
Transportation Equipment	186	185	169	1	0.6	17	10.1
<b>Service Producing Industries</b>	3,493	3,480	3,432	13	0.4	61	1.8
Trade, Transportation & Utilities	765	761	752	4	0.5	13	1.8
Wholesale Trade	169	170	166	(1)	(0.6)	2	1.4
Retail Trade	467	463	458	5	1.0	10	2.1
Transportation & Utilities	129	129	128	1	0.4	2	1.3
Information	57	57	57	0	0.7	1	1.2
Financial Activities	207	206	204	1	0.3	3	1.4
Professional & Business Services	639	633	607	6	0.9	32	5.3
Education & Health Services	651	649	643	2	0.4	9	1.4
Leisure & Hospitality Services	411	407	403	5	1.1	8	2.1
Other Services	170	171	171	(1)	(0.4)	(1)	(0.5)
Government	591	595	596	(4)	(0.7)	(4)	(0.7)

**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		
	Jan. 2015	Year Ago	Percent Change	Jan. 2015	Year Ago	Percent Change
Construction	37.4	37.4	0.0%	\$921.90	\$908.82	1.4%
Manufacturing	44.2	42.2	4.7	911.40	843.16	8.1
Durable Goods	45.2	43.1	4.9	976.77	904.67	8.0
Transportation Equipment Mfg.	48.0	44.5	7.9	1,196.16	1,087.14	1.0
Motor Vehicle Parts Mfg.	47.5	41.8	13.6	1,121.95	974.78	15.1
Nondurable Goods	41.0	39.5	3.8	696.96	650.96	7.1
Wholesale Trade	38.0	37.9	0.3	851.58	846.31	0.6
Retail Trade	29.3	28.6	2.4	399.65	383.24	4.3
Information	34.3	33.1	3.6	828.00	850.67	(2.7)
Financial Activities	35.8	34.8	2.9	796.19	687.30	15.8
Professional & Business Services	35.1	34.2	2.6	799.93	793.10	0.9
Health Care & Social Assistance	31.5	31.5	0.0	606.69	612.36	(0.9)
Leisure & Hospitality	21.9	21.2	3.3	236.52	214.54	10.2
Accommodation & Food Services	21.8	21.1	3.3	229.77	202.14	13.7

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



MICHIGAN UNEMPLOYMENT RATES BY SELECTED METROPOLITAN AREAS AND MULTI-COUNTY AREAS (Not Adjusted for Seasonal Variations)				
	Jan. 2015	Dec. 2014	Nov. 2014	Jan. 2014
<b>Metropolitan Statistical Areas</b>				
Ann Arbor	3.9%	3.3%	3.6%	5.0%
Battle Creek	5.9	4.8	4.9	7.2
Bay City	7.0	5.6	5.2	8.9
Detroit-Warren-Livonia	7.4	6.5	6.9	9.3
Flint	7.1	5.8	5.9	9.9
Grand Rapids-Wyoming	4.5	3.7	3.8	5.7
Holland-Grand Haven	6.2	5.1	5.2	7.7
Jackson	5.6	4.7	4.7	7.0
Kalamazoo-Portage	5.4	4.2	4.3	6.1
Lansing-East Lansing	5.7	4.6	4.6	7.3
Monroe	5.3	4.3	4.4	7.5
Muskegon-Norton Shores	6.5	5.7	5.7	8.9
Niles-Benton Harbor	6.3	5.2	5.2	8.2
Saginaw-Saginaw Township North	6.8	5.2	5.5	8.8
<b>Multi-County Areas</b>				
Northeast Lower Michigan	11.0	8.5	7.8	13.6
Northwest Lower Michigan	8.0	6.4	5.9	10.1
Upper Peninsula	8.2	6.8	6.4	10.0
<b>Michigan Statewide Average</b>				
-- Unadjusted (comparable to figures shown above)	6.6	5.6	5.8	8.4

Source: Michigan Department of Technology, Management, and Budget

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Jan. 2015	Dec. 2014	Nov. 2014	Oct. 2014	Year Ago Jan.	Percent Change From:	
						Jan./Dec.	Jan. 2015/ Jan. 2014
<b>Motor Vehicle Sales<sup>1)</sup></b>							
Autos	7,320	7,897	7,903	7,726	7,092	(7.3%)	3.2%
Domestics	5,415	5,816	5,979	5,795	5,048	(6.9)	7.3
Imports	1,905	2,081	1,924	1,931	2,044	(8.5)	(6.8)
Import Share	26.0%	26.4%	24.3%	25.0%	28.8%	----	----
Light Trucks	9,233	8,902	9,191	8,619	8,104	3.7	13.9
Domestics	7,887	7,616	7,835	7,294	6,917	3.6	14.0
Imports	1,346	1,286	1,356	1,325	1,187	4.7	13.4
Import Share	14.6%	14.4%	14.8%	15.4%	14.6%	----	----
Subtotal: Light Vehicle Sales	16,553	16,799	17,094	16,345	15,196	(1.5)	8.9
Heavy Trucks	432	416	413	429	360	3.8	20.0
Total Vehicle Sales	16,985	17,215	17,507	16,774	15,556	(1.3)	9.2
<b>U.S. Motor Vehicle Production<sup>1)</sup></b>							
Autos	4,148	4,547	4,456	3,976	4,153	(8.8)	(0.1)
<b>Michigan Motor Vehicle Production<sup>2)</sup></b>							
Autos	983	965	916	770	1,248	1.8	(21.2)
Trucks	917	1,618	1,145	1,288	1,549	(43.3)	(40.8)
Total	1,900	2,583	2,061	2,058	2,797	(26.4)	(32.1)
Michigan Production as % of U.S.	17.0%	17.0%	17.4%	17.0%	21.8%	----	----
<b>U.S. Motor Vehicle Inventories<sup>3)</sup></b>							
Total Car	1,743	1,712	1,759	1,654	1,772	1.8	(1.6)
Days Supply	85	66	73	75	90	28.8	(5.6)
Total Truck	1,899	1,846	1,939	1,935	1,785	2.8	6.4
Days Supply	82	58	69	76	88	41.4	(6.8)

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)	Jan	98.1	93.6	81.2	4.8%	20.8%
<b>Oil Prices</b> <sup>2)</sup> (\$ per barrel, West Texas Intermediate Crude)	Jan	\$47.22	\$59.29	\$94.62	(20.4)	(50.1)
<b>Housing Starts, U.S.</b> <sup>3)</sup> (thousands of units, SAAR)	Jan	1,081	1,081	897	0.0	20.5
<b>Retail Sales, U.S.</b> <sup>3)</sup> (billions, seasonally adjusted)	Jan	\$389.7	\$393.2	\$379.0	(0.9)	2.8
<b>Industrial Production Index</b> <sup>4)</sup> (1997=100, seasonally adjusted)	Jan	105.7	106.1	101.3	(0.3)	4.4
<b>Capacity Utilization</b> <sup>4)</sup> (% of total capacity, seasonally adjusted)	Jan	79.1	79.4	78.1	(0.5)	1.2
<b>Consumer Price Index</b> <sup>5)</sup> (1982-84=100)						
U.S. (seasonally adjusted)	Jan	234.7	236.3	235.1	(7.9)	(0.2)
Detroit (not seasonally adjusted)	Dec	218.1	222.0	218.2	(10.1)	(0.1)
<b>Interest Rates</b>						
3-month Treasury Bill <sup>4)</sup>	Jan	0.03%	0.03%	0.04%	--	--
Corporate Aaa Bonds <sup>4)</sup>	Jan	3.46%	3.79%	4.49%	--	--
<b>Real Gross Domestic Product</b> <sup>6)</sup> (billions of 2005 \$, SAAR, Chain-Weighted)	2014 4th Quarter	\$16,293.7	\$16,205.6	\$15,916.2	2.2	2.4
<b>Michigan Tax Collections</b> <sup>7)</sup> (12 major taxes, millions)	Jan	\$2,242.4	\$1,922.6	\$1,993.9	NM	12.5

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.

