

Michigan Economic Indicators

APRIL 2016



ECONOMIC HIGHLIGHTS



Employment decreased by 0.2%, or 316,000 jobs, from March 2016 to April 2016, the first monthly decline in employment since September 2015 and the largest monthly decline since December 2009 (excluding the October 2013 Federal government shutdown). Despite the decline, April 2016 employment was 1.7%, or nearly 2.5 million jobs, above the level of April 2015. The **labor force** also declined by 0.2% in April 2016, leaving the **unemployment rate** unchanged at 5.0%.

Housing starts totaled 1.1 million units in 2015, up 10.8%, or 108,500 units, from 2014. Of the total housing units started in 2015, 64% were for single-family homes, 1% were in structures with two to four units, and 35% were in structures with five or more units. In 2015, the share of single-family units as a percentage of all housing units started was the lowest since 1985.



Inflation-adjusted **gross domestic product (GDP) for Michigan** increased 1.4% in 2015, slightly less than the 1.5% growth recorded in 2014. For the U.S. as a whole, the growth rate increased from 2.2% in 2014 to 2.4% in 2015. Growth rates for the Great Lakes region in 2015 were generally below the national average, and Michigan's growth was the slowest in the region. Among the Great Lakes states, Illinois grew most rapidly, at 2.3%, followed by Ohio and Wisconsin with growth of 1.8%, then Indiana at 1.7%. Illinois was the only state to grow more rapidly in 2015 than in 2014.

Michigan **personal income** increased by 1.3% in the fourth quarter of 2015, above the U.S. average of 0.8% and the highest growth rate among all states. An increase in durable goods manufacturing earnings, primarily due to auto industry bonus payments, accounted for 0.5 percentage point of the increase. Among other Great Lakes states, Indiana grew 1.1%, followed by Illinois (1.0%), Ohio (0.9%), Minnesota (0.8%), and Wisconsin (0.5%).

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

U.S.	Apr. 2016	Mar. 2016	Apr. 2015	Change from Mar.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	158,924	159,286	157,032	(362)	(0.2%)	1,892	1.2%
Employment	151,004	151,320	148,509	(316)	(0.2)	2,495	1.7
Unemployment	7,920	7,966	8,523	(46)	(0.6)	(603)	(7.1)
Unemployment Rate	5.0%	5.0%	5.4%	--	--	--	--
Michigan	Apr. 2016	Mar. 2016	Apr. 2015	Change from Mar.		Change from Year Ago	
Labor Force	4,875	4,857	4,737	18	0.4%	137	2.9%
Employment	4,642	4,625	4,472	17	0.4	170	3.8
Unemployment	233	232	266	1	0.2	(33)	(12.5)
Unemployment Rate	4.8%	4.8%	5.6%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Apr. 2016	Mar. 2016	Apr. 2015	Change from Mar.		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,331	4,325	4,226	6	0.1%	105	2.5%
Goods Producing Industries	763	758	739	5	0.6	24	3.2
Mining and Logging	7	7	8	0	4.3	(1)	(8.9)
Construction	153	156	148	(3)	(1.7)	5	3.2
Manufacturing	603	596	583	7	1.2	20	3.4
Transportation Equipment	182	175	185	6	3.5	(4)	(2.1)
Service Producing Industries	3,568	3,567	3,487	1	0.0	81	2.3
Trade, Transportation & Utilities	779	780	770	(2)	(0.2)	9	1.1
Wholesale Trade	171	173	170	(1)	(0.8)	2	1.1
Retail Trade	471	473	466	(1)	(0.3)	5	1.0
Transportation & Utilities	136	135	134	1	0.7	2	1.5
Information	57	57	56	0	0.5	1	1.6
Financial Activities	214	214	205	1	0.3	9	4.3
Professional & Business Services	661	656	636	5	0.7	24	3.8
Education & Health Services	662	659	648	4	0.5	14	2.1
Leisure & Hospitality Services	426	428	409	(3)	(0.7)	16	4.0
Other Services	170	171	167	(1)	(0.5)	3	1.6
Government	600	603	594	(3)	(0.5)	5	0.9

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

MICHIGAN AVERAGE WEEKLY HOURS AND EARNINGS (Not seasonally adjusted)						
Industry	Average Weekly Hours			Average Weekly Earnings		
	Apr. 2016	Year Ago	Percent Change	Apr. 2016	Year Ago	Percent Change
Construction	39.5	38.7	2.1%	\$1,002.91	\$956.66	4.8%
Manufacturing	42.5	44.1	(3.6)	860.63	915.08	(6.0)
Durable Goods	43.2	45.2	(4.4)	913.68	976.32	(6.4)
Transportation Equipment Mfg.	44.2	49.6	(10.9)	992.29	1,238.51	(19.9)
Motor Vehicle Parts Mfg.	44.8	48.1	(6.9)	935.42	1,111.11	(15.8)
Nondurable Goods	40.5	40.5	0.0	699.84	716.85	(2.4)
Wholesale Trade	39.4	38.8	1.5	919.99	877.66	4.8
Retail Trade	29.4	29.7	(1.0)	416.01	410.75	1.3
Information	34.3	34.4	(0.3)	882.54	869.63	1.5
Financial Activities	35.4	36.5	(3.0)	832.96	842.42	(1.1)
Professional & Business Services	35.8	35.3	1.4	818.03	792.13	3.3
Health Care & Social Assistance	31.5	31.5	0.0	624.96	622.13	0.5
Leisure & Hospitality	22.6	22.4	0.9	249.73	241.92	3.2
Accommodation & Food Services	22.6	22.4	2.0	240.24	233.18	3.0

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)				
	Apr. 2016	Mar. 2016	Feb. 2016	Apr. 2015
Metropolitan Statistical Areas				
Ann Arbor	2.7%	3.0%	2.9%	3.3%
Battle Creek	4.1	4.6	4.6	4.7
Bay City	4.9	5.6	5.6	5.6
Detroit-Warren-Dearborn	4.5	5.6	5.4	5.5
Flint	4.9	5.5	5.6	5.7
Grand Rapids-Wyoming	2.9	3.4	3.4	3.5
Jackson	4.4	4.8	4.9	4.9
Kalamazoo-Portage	3.7	4.2	4.2	4.3
Lansing-East Lansing	3.3	3.8	3.7	4.1
Midland	4.0	4.8	4.7	4.6
Monroe	3.6	4.0	4.1	4.2
Muskegon	4.6	5.3	5.1	5.4
Niles-Benton Harbor	4.1	4.8	5.0	4.8
Saginaw	4.6	5.3	5.3	5.4
Multi-County Areas				
Northeast Lower Michigan	7.5	9.4	9.4	7.9
Northwest Lower Michigan	5.5	6.7	6.6	6.3
Upper Peninsula	6.5	7.2	7.0	7.1
Michigan Statewide Average				
-- Unadjusted (comparable to figures shown above)	4.3	5.1	5.0	5.1

Source: Michigan Department of Technology, Management, and Budget

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Apr. 2016	Mar. 2016	Feb. 2016	Jan. 2016	Year Ago Apr.	Percent Change From:	
						Apr./Mar.	Apr. 2016/ Apr. 2015
Motor Vehicle Sales¹⁾							
Autos	6,845	6,723	7,174	7,206	7,339	1.8%	(6.7%)
Domestics	5,021	5,069	5,433	5,464	5,413	(0.9)	(7.2)
Imports	1,824	1,654	1,741	1,742	1,926	10.3	(5.3)
Import Share	26.6%	24.6%	24.3%	24.2%	26.2%	----	----
Light Trucks	10,488	9,757	10,263	10,243	9,359	7.5	12.1
Domestics	8,475	7,929	8,318	8,316	7,733	6.9	9.6
Imports	2,013	1,828	1,945	1,927	1,626	10.1	23.8
Import Share	19.2%	18.7%	19.0%	18.8%	17.4%	----	----
Subtotal: Light Vehicle Sales	17,333	16,480	17,437	17,449	16,698	5.2	3.8
Heavy Trucks	405	449	449	461	424	(9.8)	(4.5)
Total Vehicle Sales	17,738	16,929	17,886	17,910	17,122	4.8	3.6
U.S. Motor Vehicle Production¹⁾							
Autos	4,145	3,994	4,046	3,941	4,372	3.8	(5.2)
Michigan Motor Vehicle Production²⁾							
Autos	791	677	795	902	792	16.8	(0.1)
Trucks	1,635	1,535	1,559	1,218	1,614	6.5	1.3
Total	2,426	2,212	2,354	2,120	2,405	9.7	0.8
Michigan Production as % of U.S.	19.6%	18.7%	19.2%	18.2%	19.0%	----	----
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,549	1,563	1,577	1,575	1,715	(1.0)	(9.7)
Days Supply	68	63	68	80	67	7.9	1.5
Total Truck	2,336	2,280	2,228	2,116	1,911	2.5	22.3
Days Supply	71	67	68	75	63	6.0	12.7

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
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Apr	89.0	91.0	95.9	(2.2%)	(7.2%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Apr	\$40.75	\$37.55	\$54.45	8.5	(25.2)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Apr	1,167	1,113	1,192	4.9	(2.1)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Apr	\$399.2	\$393.8	\$388.9	1.4	2.6
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Apr	104.0	103.4	105.3	0.6	(1.2)
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Apr	75.3	74.8	76.9	0.6	(2.2)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Apr	238.9	237.9	236.2	5.0	1.1
Detroit (not seasonally adjusted)	Apr	221.4	218.4	219.0	8.7	1.1
Interest Rates						
3-month Treasury Bill ⁴⁾	Apr	0.23%	0.03%	0.02%	--	--
Corporate Aaa Bonds ⁴⁾	Apr	3.62%	3.82%	3.52%	--	--
Real Gross Domestic Product ⁶⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2016 1st Quarter	\$16,505.1	\$16,470.6	\$16,177.3	0.8	2.0
Michigan Tax Collections ⁷⁾ (12 major taxes, millions)	Apr	\$1,831.7	\$1,335.7	\$1,853.3	NM	(1.2)

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.

