

## ECONOMIC HIGHLIGHTS



**Light vehicle sales** increased 1.5% in August 2015 from the July level and at 17.7 million units were at the highest seasonally adjusted annual rate since July 2005. Light vehicle sales were 2.9% above the year-ago level, with automobile sales down 6.6% and light truck sales up 11.3%. **Sales of heavy trucks** increased 1.7% between July and August and were 10.9% above the level in August 2014.

**Corporate profits**, excluding capital consumption adjustments, increased 11.1% in the second quarter of 2015, rising to a new record-high. Among domestic industries, financial firms accounted for more than two-thirds of the increase. Within the nonfinancial sector, corporate profits grew the most in the motor vehicle sector, which accounted for all of the increase in profits among nonfinancial domestic firms. While profits increased in some other nonfinancial industries, the gains were offset by lower profits in many sectors, particularly nondurable goods manufacturing and retail trade.



Compared with August 2014, **Michigan wage and salary employment** in August 2015 was up by 91,000 jobs. The most significant increases were in transportation equipment manufacturing (14,000 jobs, up 7.9%), professional/business services (26,000 jobs, up 4.2%), and education/health services (17,000, up 2.7%), while the only sectors to exhibit declines were information (3,000 jobs, 4.9%) and government (8,000, 1.3%).

For most sectors of the Michigan economy, **average weekly earnings** in August 2015 were above the year-ago level. The financial activities sector exhibited the highest gain (11.6%), followed by the information (7.5%) and nondurable goods manufacturing (7.0%) sectors. Average weekly earnings declined 4.4% in the motor vehicle parts manufacturing sector and 2.6% in the professional/business services sector.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Aug. 2015	July 2015	Aug. 2014	Change from July		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	157,065	157,106	156,018	(41)	(0.0%)	1,047	0.7%
Employment	149,036	148,840	146,451	196	0.1	2,585	1.8
Unemployment	8,029	8,266	9,567	(237)	(2.9)	(1,538)	(16.1)
Unemployment Rate	5.1%	5.3%	6.1%	---	---	---	---
Michigan	Aug. 2015	July 2015	Aug. 2014	Change from July		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,729	4,728	4,747	1	0.0	(18)	(0.4)
Employment	4,487	4,479	4,423	8	0.2	64	1.4
Unemployment	242	249	324	(7)	(2.9)	(82)	(25.2)
Unemployment Rate	5.1%	5.3%	6.8%	---	---	---	---

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Aug. 2015*	July 2015	Aug. 2014	Change from July		Change from Yr Ago	
				Number	Percent	Number	Percent
<b>Total Non-Agricultural Jobs</b>	4,280	4,278	4,189	3	0.1	91	2.2
<b>Goods Producing Industries</b>	757	762	729	(5)	(0.7)	27	3.7
Mining and Logging	8	8	8	0	1.2	0	0.0
Construction	150	155	144	(5)	(3.0)	7	4.7
Manufacturing	598	599	578	(1)	(0.1)	21	3.5
Transportation Equipment	190	192	176	(2)	(1.0)	14	7.9
<b>Service Producing Industries</b>	3,524	3,516	3,460	8	0.2	64	1.8
Trade, Transportation & Utilities	768	764	758	5	0.6	10	1.3
Wholesale Trade	169	170	168	(0)	(0.2)	1	0.5
Retail Trade	468	464	461	4	0.9	7	1.5
Transportation & Utilities	131	130	130	1	0.7	2	1.4
Information	55	55	57	(1)	(1.3)	(3)	(4.9)
Financial Activities	214	212	205	2	1.1	9	4.5
Professional & Business Services	647	647	620	(0)	(0.0)	26	4.2
Education & Health Services	660	663	643	(2)	(0.4)	17	2.7
Leisure & Hospitality Services	417	416	408	1	0.2	9	2.2
Other Services	173	172	170	2	0.9	3	1.9
Government	590	588	598	2	0.3	(8)	(1.3)

**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		
	Aug. 2015	Year Ago	Percent Change	Aug. 2015	Year Ago	Percent Change
Construction	40.6	39.7	2.3%	\$1,020.68	\$989.72	3.1%
Manufacturing	44.2	44.0	0.5	906.10	898.04	0.9
Durable Goods	45.1	44.7	0.9	964.24	971.33	(0.7)
Transportation Equipment Mfg.	49.0	47.6	2.9	1,191.19	1,224.75	(2.7)
Motor Vehicle Parts Mfg.	48.2	47.1	2.3	1,091.25	1,141.23	(4.4)
Nondurable Goods	41.3	41.8	(1.2)	716.14	669.22	7.0
Wholesale Trade	38.4	38.0	1.1	919.68	864.12	6.4
Retail Trade	30.3	30.2	0.3	423.59	409.21	3.5
Information	36.5	34.4	6.1	931.12	865.85	7.5
Financial Activities	36.0	35.3	2.0	817.92	733.18	11.6
Professional & Business Services	35.8	36.5	(1.9)	815.17	837.31	(2.6)
Health Care & Social Assistance	31.9	31.7	0.6	638.32	606.42	5.3
Leisure & Hospitality	24.4	24.5	(0.4)	261.81	250.39	4.6
Accommodation & Food Services	24.2	24.2	0.0	252.89	238.13	6.2

**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)				
	Aug. 2015	July 2015	June 2015	Aug. 2014
<b>Metropolitan Statistical Areas</b>				
Ann Arbor	3.5%	4.5%	4.3%	5.0%
Battle Creek	4.6	5.7	5.4	6.1
Bay City	4.9	6.0	5.9	6.7
Detroit-Warren-Livonia	6.2	7.0	6.6	8.9
Flint	5.4	6.8	6.3	7.5
Grand Rapids-Wyoming	3.4	4.2	4.2	4.9
Holland-Grand Haven	4.7	6.0	5.7	6.4
Jackson	4.2	5.2	5.1	5.9
Kalamazoo-Portage	4.0	5.1	5.0	5.9
Lansing-East Lansing	4.2	5.2	5.2	5.8
Monroe	4.1	5.3	4.8	6.4
Muskegon-Norton Shores	5.2	6.3	6.1	7.1
Niles-Benton Harbor	4.8	5.5	5.5	6.4
Saginaw-Saginaw Township North	5.0	6.2	6.0	7.1
<b>Multi-County Areas</b>				
Northeast Lower Michigan	5.7	6.9	7.0	7.9
Northwest Lower Michigan	4.5	5.4	5.6	6.3
Upper Peninsula	5.6	6.8	6.7	7.2
<b>Michigan Statewide Average</b>				
-- Unadjusted (comparable to figures shown above)	5.2	6.1	5.8	7.3
<b>Source:</b> Michigan Department of Technology, Management, and Budget				

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Aug. 2015	July 2015	June 2015	May 2015	Year Ago Aug.	Percent Change From:	
						Aug./July	Aug. 2015/ Aug. 2014
<b>Motor Vehicle Sales<sup>1)</sup></b>							
Autos	7,537	7,620	7,424	7,824	8,071	(1.1%)	(6.6%)
Domestics	5,588	5,778	5,454	5,798	5,983	(3.3)	(6.6)
Imports	1,949	1,842	1,970	2,026	2,088	5.8	(6.7)
Import Share	25.9%	24.2%	26.5%	25.9%	25.9%	---	---
Light Trucks	10,188	9,851	9,530	9,809	9,153	3.4	11.3
Domestics	8,210	8,077	7,761	8,097	7,683	1.6	6.9
Imports	1,978	1,774	1,769	1,712	1,470	11.5	34.6
Import Share	19.4%	18.0%	18.6%	17.5%	16.1%	---	---
Subtotal: Light Vehicle Sales	17,725	17,471	16,954	17,633	17,224	1.5	2.9
Heavy Trucks	478	470	476	459	431	1.7	10.9
Total Vehicle Sales	18,203	17,941	17,430	18,092	17,655	1.5	3.1
<b>U.S. Motor Vehicle Production<sup>1)</sup></b>							
Autos	4,156	4,620	4,044	4,591	4,259	(10.1)	(2.4)
<b>Michigan Motor Vehicle Production<sup>2)</sup></b>							
Autos	714	742	815	794	579	(3.8)	23.3
Trucks	1,344	1,859	1,560	1,462	1,297	(27.7)	3.6
Total	2,058	2,601	2,374	2,255	1,876	(20.9)	9.7
Michigan Production as % of U.S.	18.5%	18.3%	18.9%	20.8%	17.7%	---	---
<b>U.S. Motor Vehicle Inventories<sup>3)</sup></b>							
Total Car	1,500	1,538	1,639	1,653	1,498	(2.5)	0.2
Days Supply	57	60	60	56	53	(5.0)	7.5
Total Truck	1,848	1,877	1,950	1,871	1,768	(1.5)	4.6
Days Supply	54	58	61	56	58	(6.9)	(6.9)
<b>Sources:</b> 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)	Aug.	91.9	93.1	82.5	(1.3%)	11.4%
<b>Oil Prices</b> <sup>2)</sup> (\$ per barrel, West Texas Intermediate Crude)	Aug.	\$42.87	\$50.90	\$96.54	(15.8)	(55.6)
<b>Housing Starts, U.S.</b> <sup>3)</sup> (thousands of units, SAAR)	Aug.	1,132	1,152	966	(1.7)	17.2
<b>Retail Sales, U.S.</b> <sup>3)</sup> (billions, seasonally adjusted)	Aug.	\$394.9	\$395.1	\$389.9	(0.1)	1.3
<b>Industrial Production Index</b> <sup>4)</sup> (1997=100, seasonally adjusted)	Aug.	107.3	107.4	106.1	(0.1)	1.1
<b>Capacity Utilization</b> <sup>4)</sup> (% of total capacity, seasonally adjusted)	Aug.	77.8	78.0	78.2	(0.3)	(0.5)
<b>Consumer Price Index</b> <sup>5)</sup> (1982-84=100)						
U.S. (seasonally adjusted)	Aug.	237.9	238.1	237.4	(0.8)	0.2
Detroit (not seasonally adjusted)	Aug.	220.2	219.0	222.3	3.4	(0.9)
<b>Interest Rates</b>						
3-month Treasury Bill <sup>4)</sup>	Aug.	0.07%	0.03%	0.03%	---	---
Corporate Aaa Bonds <sup>4)</sup>	Aug.	4.04%	4.15%	4.08%	---	---
<b>Real Gross Domestic Product</b> <sup>6)</sup> (billions of 2005 \$, SAAR, Chain-Weighted)	2015 2nd Quarter	\$16,333.6	\$16,177.3	\$15,901.5	3.9	2.7
<b>Michigan Tax Collections</b> <sup>7)</sup> (12 major taxes, millions)	Aug.	\$1,778.4	\$1,940.3	\$1,701.5	NM	4.5

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.

