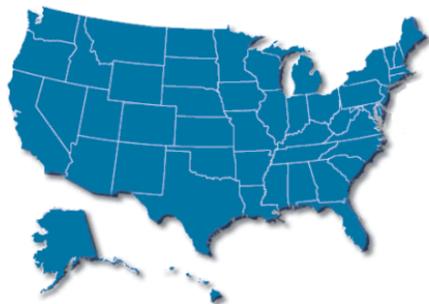


Michigan Economic Indicators

FEBRUARY 2016



ECONOMIC HIGHLIGHTS



In February 2016, the **inflation-adjusted trade-weighted value of the dollar** against major currencies fell for the first time since October 2015. Despite the decline, the dollar was still stronger against major currencies than at any time since December 2002, excluding the gains in November 2015 through January 2016. A strong dollar helps limit domestic inflation, but hurts the prices of U.S. exports and makes imports less expensive. In February 2016, seasonally adjusted U.S. exports increased 1.1%, but imports increased 1.3%, resulting in an increase in the trade deficit.

Housing starts in February 2016 totaled 1,213,000 at a seasonally adjusted annual rate, an increase of 35.8% over the level of February 2015 and 7.5% above the level of January 2016. The growth was strongest in starts of single family homes, which increased 36.0% over the level of February 2015. Housing in structures with five or more units increased by 21.0%.



As reported by the Michigan Association of Realtors, the **average residential sales price** in Michigan was \$145,708 in 2015, an increase of 4.0% from the 2014 average sales price. The number of existing homes sold increased by 6.9% in 2015, to 130,402. In Detroit, the average residential sales price increased by 46.3% in 2015 to \$50,346 and the number of home sales declined by 16.8%.

Regional unemployment rates declined in all regions in February 2016 compared with February 2015 levels. The highest unemployment rates in February 2016 were in the northeastern Lower Peninsula (9.4%), the Upper Peninsula (7.0%), and the northwestern Lower Peninsula (6.6%). The lowest unemployment rate was registered in Ann Arbor (2.9%), followed by Grand Rapids-Wyoming (3.4%), and Lansing-East Lansing (3.7%).

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Feb. 2016	Jan. 2016	Feb. 2015	Change from Jan.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	158,890	158,335	156,878	555	0.4%	2,012	1.3%
Employment	151,074	150,544	148,231	530	0.4	2,843	1.9
Unemployment	7,816	7,791	8,647	25	0.3	(831)	(9.6)
Unemployment Rate	4.9%	4.9%	5.5%	---	---	---	---
Michigan	Feb. 2016	Jan. 2016	Feb. 2015	Change from Jan.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,830	4,798	4,742	32	0.7%	88	1.9%
Employment	4,597	4,561	4,463	37	0.8	135	3.0
Unemployment	233	237	279	(5)	(1.9)	(46)	(16.6)
Unemployment Rate	4.8%	4.9%	5.9%	---	---	---	---

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Feb. 2016*	Jan. 2016	Feb. 2015	Change from Jan.		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,315	4,307	4,222	8	0.2%	93	2.2%
Goods Producing Industries	758	759	739	(0)	(0.0)	19	2.6
Mining and Logging	7	7	8	(0)	(2.7)	(1)	(12.3)
Construction	155	152	148	4	2.3	8	5.2
Manufacturing	596	600	583	(4)	(0.6)	13	2.2
Transportation Equipment	177	176	188	2	1.0	(11)	(5.6)
Service Producing Industries	3,557	3,549	3,483	8	0.2	74	2.1
Trade, Transportation & Utilities	778	775	768	3	0.4	10	1.3
Wholesale Trade	174	174	169	(0)	(0.1)	5	2.8
Retail Trade	469	466	466	3	0.7	3	0.6
Transportation & Utilities	135	135	133	0	0.2	2	1.7
Information	57	56	57	1	1.4	0	0.4
Financial Activities	213	214	205	(1)	(0.4)	8	4.0
Professional & Business Services	650	650	634	(0)	(0.0)	16	2.5
Education & Health Services	658	661	647	(2)	(0.3)	11	1.7
Leisure & Hospitality Services	430	426	412	5	1.1	19	4.5
Other Services	171	171	167	1	0.3	4	2.5
Government	600	598	594	2	0.4	6	1.0

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		
	Feb. 2016	Year Ago	Percent Change	Feb. 2016	Year Ago	Percent Change
Construction	39.0	36.9	5.7%	\$969.54	\$909.59	6.6%
Manufacturing	42.1	43.7	(3.7)	844.11	912.46	(7.5)
Durable Goods	42.7	45.0	(5.1)	895.42	984.15	(9.0)
Transportation Equipment Mfg.	43.1	48.9	(11.9)	983.97	1,238.64	(20.6)
Motor Vehicle Parts Mfg.	45.0	47.8	(5.9)	959.40	1,131.43	(15.2)
Nondurable Goods	40.1	39.6	1.3	682.50	686.27	(0.5)
Wholesale Trade	38.4	38.5	(0.3)	910.85	867.02	5.1
Retail Trade	29.0	29.4	(1.4)	405.71	405.43	0.1
Information	36.4	34.8	4.6	926.02	883.22	4.8
Financial Activities	36.2	36.6	(1.1)	818.48	818.74	(0.0)
Professional & Business Services	35.3	35.6	(0.8)	820.02	809.90	1.2
Health Care & Social Assistance	31.1	31.5	(1.3)	616.09	603.86	2.0
Leisure & Hospitality	22.0	22.5	(2.2)	240.68	240.75	(0.0)
Accommodation & Food Services	22.1	22.5	2.0	234.70	234.23	0.2

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)				
	Feb. 2016	Jan. 2016	Dec. 2015	Feb. 2015
Metropolitan Statistical Areas				
Ann Arbor	2.9%	2.9%	2.5%	3.6%
Battle Creek	4.6	4.4	3.9	5.6
Bay City	5.6	5.3	4.4	6.9
Detroit-Warren-Dearborn	5.4	5.7	5.4	6.4
Flint	5.6	5.5	4.6	6.8
Grand Rapids-Wyoming	3.4	3.2	2.8	4.2
Jackson	4.9	4.7	4.0	6.0
Kalamazoo-Portage	4.2	4.1	3.5	5.3
Lansing-East Lansing	3.7	4.1	3.2	4.9
Midland	4.7	4.6	3.8	5.6
Monroe	4.0	4.2	3.3	5.0
Muskegon	5.1	4.8	4.3	6.5
Niles-Benton Harbor	5.0	4.8	4.0	5.9
Saginaw	5.3	5.2	4.2	6.5
Multi-County Areas				
Northeast Lower Michigan	9.4	8.6	7.1	10.9
Northwest Lower Michigan	6.6	6.0	5.0	8.0
Upper Peninsula	7.0	6.7	5.8	8.3
Michigan Statewide Average				
-- Unadjusted (comparable to figures shown above)	5.0	5.1	4.5	6.1
Source: Michigan Department of Technology, Management, and Budget				

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Feb. 2016	Jan. 2016	Dec. 2015	Nov. 2015	Year Ago Feb.	Percent Change From:	
						Feb./Jan.	Feb. 2016/ Feb. 2015
Motor Vehicle Sales¹⁾							
Autos	7,167	7,204	7,145	7,539	7,188	(0.5%)	(0.3%)
Domestics	5,426	5,462	5,434	5,613	5,290	(0.7)	2.6
Imports	1,741	1,742	1,711	1,926	1,898	(0.1)	(8.3)
Import Share	24.3%	24.2%	23.9%	25.5%	26.4%	---	---
Light Trucks	10,261	10,242	10,070	10,522	9,128	0.2	12.4
Domestics	8,316	8,315	8,049	8,416	7,678	0.0	8.3
Imports	1,945	1,927	2,021	2,106	1,450	0.9	34.1
Import Share	19.0%	18.8%	20.1%	20.0%	15.9%	---	---
Subtotal: Light Vehicle Sales	17,428	17,446	17,215	18,061	16,316	(0.1)	6.8
Heavy Trucks	449	461	416	491	434	(2.6)	3.5
Total Vehicle Sales	17,877	17,907	17,631	18,552	16,750	(0.2)	6.7
U.S. Motor Vehicle Production¹⁾							
Autos	4,042	3,937	3,913	3,878	3,876	2.7	4.3
Michigan Motor Vehicle Production²⁾							
Autos	795	902	863	801	883	(11.8)	(10.0)
Trucks	1,559	1,218	1,422	1,495	1,422	28.0	9.7
Total	2,354	2,120	2,285	2,296	2,305	11.1	2.1
Michigan Production as % of U.S.	19.2%	18.2%	19.1%	19.5%	21.2%	---	---
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,577	1,575	1,563	1,611	1,757	0.1	(10.3)
Days Supply	68	80	69	70	73	(15.0)	(6.8)
Total Truck	2,228	2,116	2,021	2,126	1,886	5.3	18.1
Days Supply	68	75	56	62	66	(9.3)	3.0
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)	Feb.	91.7	92.0	95.4	(0.3%)	(3.9%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Feb.	\$30.32	\$31.68	\$50.58	(4.3)	(40.1)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Feb.	1,213	1,128	893	7.5	35.8
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Feb.	\$395.1	\$394.9	\$383.3	0.1	3.1
Industrial Production Index ⁴⁾ (1997=100, seasonally adjusted)	Feb.	104.4	104.6	105.9	(0.2)	(1.4)
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Feb.	75.6	75.7	77.7	(0.2)	(2.8)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Feb.	237.7	238.1	235.4	(2.0)	1.0
Detroit (not seasonally adjusted)	Feb.	218.4	217.8	216.5	1.7	0.9
Interest Rates						
3-month Treasury Bill ⁴⁾	Feb.	0.31%	0.26%	0.02%	---	---
Corporate Aaa Bonds ⁴⁾	Feb.	3.96%	4.00%	3.61%	---	---
Real Gross Domestic Product ⁶⁾ (billions of 2005 \$, SAAR, Chain-Weighted)	2015 4th Quarter	\$16,470.6	\$16,414.0	\$16,151.4	1.4	2.0
Michigan Tax Collections ⁷⁾ (12 major taxes, millions)	Feb.	\$1,016.5	\$2,318.0	\$1,029.6	NM	(1.3)

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.

