

MICHIGAN ECONOMIC INDICATORS

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

ECONOMIC HIGHLIGHTS



- The **U.S. Consumer Price Index (CPI)** for June increased at an annual rate of 5.9% from the May level and was 1.8% above the level one year ago. The monthly incline reflected a sharp increase in the gasoline index which more than offset declines in other indexes, including natural gas and fuel oil. "Core" prices, excluding food and energy, were up only 1.6% over the last 12 months, the smallest change since June 2011.

- Retail sales** in June were up 6.0% from one year ago and 0.6% from May. Compared to May, lower sales at building materials stores, miscellaneous store retailers, and food services/drinking places were more than offset by higher sales at furniture/home stores, motor vehicle dealers, and non-store retailers. Compared to last June, sales at non-store retailers increased the most (13.8%), followed by motor vehicle dealers (11.4%) and building materials stores (9.4%).



- Based on data from Michigan realtors, Michigan's **residential housing sales** in June were down 1.7% from June 2012, although the average price increased 7.9% over last year's level. On a year-to-date basis, residential sales were 1.1% above the 2012 level, while average sale prices were up 12.3%. For realty associations with at least 3,000 sales (roughly 4.9% of the market), the Detroit area experienced both the greatest decline in year-to-date sales from 2012 (-4.8%) and the greatest increase in average sale prices (24.2%).
- Michigan wage and salary employment** exhibited a small increase of 3,000 jobs in June from the May level. Compared to June 2012, employment was up by 51,000 jobs, with transportation equipment (16,000) exhibiting the largest increase and construction exhibiting a decrease of 2,000 jobs.

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

U.S.	June 2013	May 2013	June 2012	Change from May		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	155,835	155,658	155,149	177	0.1%	686	0.4%
Employment	144,058	143,898	142,448	160	0.1	1,610	1.1
Unemployment	11,777	11,760	12,701	17	0.1	(924)	(7.3)
Unemployment Rate	7.6%	7.6%	8.2%	---	---	---	---
Michigan	June 2013	May 2013	June 2012	Change from May		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,719	4,698	4,661	22	0.5%	58	1.2%
Employment	4,311	4,302	4,229	9	0.2	82	1.9
Unemployment	408	395	432	13	3.4	(24)	(5.5)
Unemployment Rate	8.7%	8.4%	9.3%	---	---	---	---

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



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MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	June 2013*	May 2013	June 2012	Change from May		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,075	4,072	4,025	3	0.1%	51	1.3%
Goods Producing Industries	684	686	672	(2)	(0.3)	12	1.7
Mining and Logging	8	8	8	0	0.0	0	1.3
Construction	125	126	127	(1)	(0.9)	(2)	(1.7)
Manufacturing	551	552	538	(1)	(0.2)	14	2.5
Transportation Equipment	162	162	146	0	0.0	16	11.2
Service Producing Industries	3,392	3,386	3,353	5	0.2	39	1.2
Trade, Transportation & Utilities	737	736	729	2	0.2	8	1.1
Wholesale Trade	161	161	159	(0)	(0.2)	1	0.8
Retail Trade	455	453	449	2	0.4	6	1.3
Transportation & Utilities	122	122	121	0	0.1	1	0.5
Information	52	52	53	0	0.8	(1)	(1.9)
Financial Activities	198	197	197	1	0.3	1	0.7
Professional & Business Services	587	589	578	(2)	(0.4)	8	1.4
Education & Health Services	642	639	632	3	0.4	10	1.6
Leisure & Hospitality Services	400	397	387	3	0.6	13	3.2
Other Services	167	169	168	(2)	(1.1)	(1)	(0.4)
Government	609	607	608	2	0.2	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		
	June 2013	Year Ago	Percent Change	June 2013	Year Ago	Percent Change
Construction	41.3	41.2	0.2%	\$971.0	\$954.6	1.7%
Manufacturing	42.9	43.3	(0.9)	838.3	897.6	(6.6)
Durable Goods	43.5	44.3	(1.8)	893.1	980.4	(8.9)
Transportation Equipment Mfg.	43.9	45.6	(3.7)	1,073.8	1,276.3	(15.9)
Motor Vehicle Parts Mfg.	45.3	46.7	(3.0)	1,050.1	1,198.8	(12.4)
Nondurable Goods	41.0	40.3	1.7	668.3	646.0	3.5
Wholesale Trade	39.0	38.4	1.6	890.4	837.5	6.3
Retail Trade	30.4	30.7	(1.0)	395.8	391.1	1.2
Information	35.7	35.1	1.7	862.9	850.1	1.5
Financial Activities	35.6	36.6	(2.7)	667.5	687.7	(2.9)
Professional & Business Services	37.3	34.9	6.9	873.2	744.1	17.4
Health Care & Social Assistance	32.6	32.0	1.9	618.4	599.7	3.1
Leisure & Hospitality	23.3	23.2	0.4	230.7	228.5	0.9
Accommodation & Food Services	23.1	23.2	(0.4)	219.7	219.5	0.1

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)				
	June 2013	May 2013	April 2013	June 2012
Metropolitan Statistical Areas				
Ann Arbor	6.8%	5.9%	5.1%	6.5%
Battle Creek	8.0	7.3	6.6	8.0
Bay City	9.3	8.9	8.5	8.8
Detroit-Warren-Livonia	10.3	9.0	8.9	11.0
Flint	10.1	9.4	8.8	9.9
Grand Rapids-Wyoming	7.0	6.5	5.9	7.3
Holland-Grand Haven	7.2	6.6	5.9	7.4
Jackson	9.4	8.7	7.9	9.1
Kalamazoo-Portage	8.0	7.4	6.7	8.2
Lansing-East Lansing	8.1	7.5	7.0	8.0
Monroe	8.8	8.2	7.3	8.5
Muskegon-Norton Shores	9.2	8.6	8.1	9.2
Niles-Benton Harbor	9.4	8.9	8.2	9.5
Saginaw-Saginaw Twp North	9.5	8.9	8.3	9.1
Multi-County Areas				
Northeast Lower Michigan	11.0	10.8	11.8	10.4
Northwest Lower Michigan	9.4	9.3	9.9	9.1
Upper Peninsula	9.6	9.5	9.8	9.3
Michigan Statewide Average				
-- Unadjusted (comparable to figures shown above)	9.4	8.4	8.2	9.6

Source: Michigan Department of Technology, Management, and Budget

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units)							
	June 2013	May 2013	April 2013	Mar. 2013	Year Ago June	Percent Change From:	
						June/May	June 2013/ June 2012
Motor Vehicle Sales¹⁾ (thousands of units, SAAR)							
Autos	7,856	7,344	7,116	7,432	7,192	7.0%	9.2%
Domestics	5,714	5,289	5,130	5,381	5,176	8.0	10.4
Imports	2,142	2,055	1,986	2,051	2,016	4.2	6.3
Import Share	27.3%	28.0%	27.9%	27.6%	28.0%	---	---
Light Trucks	8,034	7,886	7,743	7,775	7,142	1.9	12.5
Domestics	6,710	6,652	6,607	6,607	6,063	0.9	10.7
Imports	1,324	1,234	1,136	1,168	1,079	7.3	22.7
Import Share	16.5%	15.6%	14.7%	15.0%	15.1%	---	---
Subtotal: Light Vehicle Sales	15,890	15,230	14,859	15,207	14,334	4.3	10.9
Heavy Trucks	345	352	384	294	343	(2.0)	0.6
Total Vehicle Sales	16,234	15,582	15,243	15,501	14,677	4.2	10.6
U.S. Motor Vehicle Production¹⁾ (millions of units, SAAR)							
Autos	4,566	4,396	4,369	4,480	4,223	3.9	8.1
Michigan Motor Vehicle Production²⁾ (thousands of units, SAAR)							
Autos	N/A	989	1,057	1,060	N/A	N/A	N/A
Trucks	N/A	1,608	1,635	1,304	N/A	N/A	N/A
Total	N/A	2,597	2,693	2,364	N/A	N/A	N/A
Michigan Production as % of U.S.	N/A	22.5%	22.0%	23.0%	N/A	---	---
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,595	1,541	1,587	1,566	1,227	3.5	30.0
Days Supply	58	55	61	56	49	5.5	18.4
Total Truck	1,671	1,627	1,659	1,650	1,538	2.7	8.7
Days Supply	63	59	66	64	67	6.8	(6.0)

SAAR = Seasonally Adjusted at Annual Rates.

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).

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)	June	84.1	84.5	73.2	(0.5)%	14.9%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	June	\$93.80	\$94.80	\$82.41	(1.1)	13.8
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	June	836	928	757	(9.9)	10.4
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	June	\$377.5	\$375.4	\$356.0	0.6	6.0
Industrial Production Index ⁴⁾ (1997=100, seasonally adjusted)	June	99.1	98.7	97.1	0.3	2.0
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	June	77.8	77.7	77.7	0.2	0.2
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	June	232.9	231.8	228.9	5.9	1.8
Detroit (not seasonally adjusted)	June	221.6	218.9	214.5	7.6	3.3
Interest Rates						
3-month Treasury Bill ⁴⁾	June	0.05%	0.04%	0.09%	---	---
Corporate Aaa Bonds ⁴⁾	June	4.27%	3.89%	3.64%	---	---
Real Gross Domestic Product ⁶⁾ (billions of 2005 \$, SAAR, Chain-Weighted)	2013 2 nd Qtr.	\$15,648.7	\$15,583.9	\$15,427.7	1.7	1.4
Michigan Tax Collections ⁷⁾ (12 major taxes, millions)	June 2013	\$1,773.2	\$1,527.3	\$1,782.8	NM	(0.5)

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.

