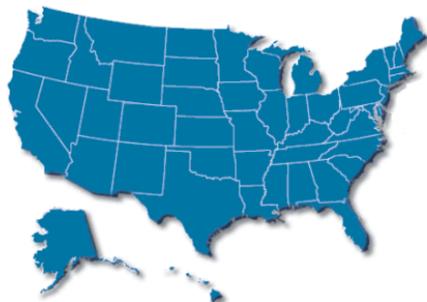


Michigan Economic Indicators

MARCH 2016



ECONOMIC HIGHLIGHTS



Inflation adjusted gross domestic product increased at a revised 0.8% annual rate in the first quarter of 2016, slower than the 1.4% increase in the fourth quarter of 2015. Personal consumption spending contributed 1.3 percentage point to GDP growth in the first quarter, primarily from increased consumption of services. Government spending contributed 0.2 percentage point as increases in state and local spending were partly offset by a decline in federal spending. Declines in gross private investment reduced growth by nearly 0.5 percentage point and lower net exports reduced growth by 0.2 percentage point.

Light vehicle sales decreased 5.5% from February 2016 to March 2016, to a seasonally adjusted annual rate of 16.5 million units, 3.4% below the level in March 2015. Compared to the year-ago level, domestic auto sales declined by 8.4% and imported auto sales declined by 19.0%. Sale of light trucks increased by 2.8% in March 2016 compared to March 2015. Sales of imported light trucks increased by 15.7% over March 2015 while sales of domestic light trucks increased by 0.2%.



Seasonally adjusted **Michigan motor vehicle production** declined 14.8% from February 2016 to March 2016. Compared to March 2015, Michigan motor vehicle production in March 2016 was down 10.0%, with auto production 26.5% lower and truck production down 0.2%. Michigan's share of U.S. motor vehicle production decreased from 20.2% in March 2015 to 18.7% in March 2016.

The **Michigan unemployment rate** remained at 4.8% in March 2016, the same as February 2016 and below the March 2015 level of 5.8%. March 2016 was the third consecutive month in which Michigan unemployment was at or below the U.S. level.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Mar. 2016	Feb. 2016	Mar. 2015	Change from Feb.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	159,286	158,890	156,890	396	0.2%	2,396	1.5%
Employment	151,320	151,074	148,333	246	0.2	2,987	2.0
Unemployment	7,966	7,816	8,557	150	1.9	(591)	(6.9)
Unemployment Rate	5.0%	4.9%	5.5%	--	--	--	--
Michigan	Mar. 2016	Feb. 2016	Mar. 2015	Change from Feb.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,857	4,830	4,739	27	0.6%	118	2.5%
Employment	4,625	4,597	4,467	28	0.6	158	3.5
Unemployment	232	233	273	(1)	(0.2)	(40)	(14.8)
Unemployment Rate	4.8%	4.8%	5.8%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Mar. 2016	Feb. 2016	Mar. 2015	Change from Feb.		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,325	4,315	4,224	10	0.2%	101	2.4%
Goods Producing Industries	758	758	738	(0)	(0.0)	20	2.7
Mining and Logging	7	7	8	(0)	(2.8)	(1)	(13.8)
Construction	156	155	148	1	0.3	8	5.3
Manufacturing	596	596	582	(1)	(0.1)	13	2.3
Transportation Equipment	175	177	186	(2)	(1.0)	(10)	(5.4)
Service Producing Industries	3,567	3,557	3,485	10	0.3	81	2.3
Trade, Transportation & Utilities	780	778	769	2	0.3	11	1.4
Wholesale Trade	173	174	169	(1)	(0.5)	4	2.2
Retail Trade	473	469	467	3	0.7	6	1.2
Transportation & Utilities	135	135	133	(0)	(0.1)	2	1.4
Information	57	57	57	(0)	(0.2)	0	0.4
Financial Activities	214	213	205	1	0.5	9	4.3
Professional & Business Services	656	650	634	6	0.9	22	3.4
Education & Health Services	659	658	648	0	0.0	11	1.6
Leisure & Hospitality Services	428	430	412	(2)	(0.4)	17	4.1
Other Services	171	171	167	(0)	(0.2)	4	2.3
Government	603	600	594	3	0.5	8	1.4

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

MICHIGAN AVERAGE WEEKLY HOURS AND EARNINGS						
Industry	Average Weekly Hours			Average Weekly Earnings		
	Mar. 2016	Year Ago	Percent Change	Mar. 2016	Year Ago	Percent Change
Construction	39.4	39.1	0.8%	\$988.55	\$974.76	1.4%
Manufacturing	42.3	44.2	(4.3)	855.31	924.22	(7.5)
Durable Goods	43.0	45.6	(5.7)	908.16	996.36	(8.9)
Transportation Equipment Mfg.	43.7	50.2	(12.9)	1,000.29	1,271.57	(21.3)
Motor Vehicle Parts Mfg.	45.0	48.0	(6.3)	947.07	1,118.40	(15.3)
Nondurable Goods	40.2	39.8	1.0	692.65	696.50	(0.6)
Wholesale Trade	38.6	38.8	(0.5)	894.36	871.84	2.6
Retail Trade	29.2	29.6	(1.4)	410.84	407.30	0.9
Information	35.4	34.8	1.7	873.32	863.74	1.1
Financial Activities	35.9	36.7	(2.2)	826.78	834.19	(0.9)
Professional & Business Services	35.5	35.8	(0.8)	823.60	811.23	1.5
Health Care & Social Assistance	31.1	31.5	(1.3)	619.20	606.38	2.1
Leisure & Hospitality	22.0	22.5	(2.2)	242.88	242.78	0.0
Accommodation & Food Services	22.1	22.5	2.0	235.14	235.80	(0.3)

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)				
	Mar. 2016	Feb. 2016	Jan. 2016	Mar. 2015
Metropolitan Statistical Areas				
Ann Arbor	3.0%	2.9%	2.9%	3.6%
Battle Creek	4.6	4.6	4.4	5.4
Bay City	5.6	5.6	5.3	6.6
Detroit-Warren-Dearborn	5.6	5.4	5.7	6.3
Flint	5.5	5.6	5.5	6.7
Grand Rapids-Wyoming	3.4	3.4	3.2	4.1
Jackson	4.9	4.9	4.7	5.7
Kalamazoo-Portage	4.2	4.2	4.1	5.1
Lansing-East Lansing	3.8	3.7	4.1	4.7
Midland	4.8	4.7	4.6	5.6
Monroe	4.0	4.1	4.2	4.9
Muskegon	5.2	5.1	4.8	6.2
Niles-Benton Harbor	4.8	5.0	4.8	5.6
Saginaw	5.3	5.3	5.2	6.3
Multi-County Areas				
Northeast Lower Michigan	9.4	9.4	8.6	10.4
Northwest Lower Michigan	6.7	6.6	6.0	7.7
Upper Peninsula	7.2	7.0	6.7	8.1
Michigan Statewide Average				
-- Unadjusted (comparable to figures shown above)	5.1	5.0	5.1	5.9

Source: Michigan Department of Technology, Management, and Budget

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Mar. 2016	Feb. 2016	Jan. 2016	Dec. 2015	Year Ago Mar.	Percent Change From:	
						Mar./Feb.	Mar. 2016/ Mar. 2015
Motor Vehicle Sales¹⁾							
Autos	6,723	7,174	7,206	7,145	7,574	(6.3%)	(11.2%)
Domestics	5,069	5,433	5,464	5,434	5,531	(6.7)	(8.4)
Imports	1,654	1,741	1,742	1,711	2,043	(5.0)	(19.0)
Import Share	24.6%	24.3%	24.2%	23.9%	27.0%	----	----
Light Trucks	9,757	10,263	10,243	10,070	9,490	(4.9)	2.8
Domestics	7,929	8,318	8,316	8,049	7,910	(4.7)	0.2
Imports	1,828	1,945	1,927	2,021	1,580	(6.0)	15.7
Import Share	18.7%	19.0%	18.8%	20.1%	16.6%	----	----
Subtotal: Light Vehicle Sales	16,480	17,437	17,449	17,215	17,064	(5.5)	(3.4)
Heavy Trucks	449	449	461	416	444	0.0	1.1
Total Vehicle Sales	16,929	17,886	17,910	17,631	17,508	(5.4)	(3.3)
U.S. Motor Vehicle Production¹⁾							
Autos	3,994	4,046	3,941	3,913	4,253	(1.3)	(6.1)
Michigan Motor Vehicle Production²⁾							
Autos	677	795	902	863	921	(14.8)	(26.5)
Trucks	1,535	1,559	1,218	1,422	1,537	(1.6)	(0.2)
Total	2,212	2,354	2,120	2,285	2,459	(6.0)	(10.0)
Michigan Production as % of U.S.	18.7%	19.2%	18.2%	19.1%	20.2%	----	----
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,563	1,577	1,575	1,563	1,734	(0.9)	(9.8)
Days Supply	63	68	80	69	59	(7.4)	6.8
Total Truck	2,280	2,228	2,116	2,021	1,906	2.3	19.7
Days Supply	67	68	75	56	59	(1.5)	13.6

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)	Mar	91.0	91.7	93.0	(0.8%)	(2.2%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Mar	\$37.55	\$30.32	\$47.82	23.8	(21.5)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Mar	1,099	1,213	964	(9.4)	14.0
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Mar	\$393.9	\$395.1	\$389.6	(0.3)	1.1
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Mar	103.5	104.4	105.5	(0.9)	(1.9)
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Mar	74.9	75.6	77.3	(0.9)	(3.1)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Mar	237.7	237.7	235.4	0.0	1.0
Detroit (not seasonally adjusted)	Feb	218.4	218.4	216.5	0.0	0.9
Interest Rates						
3-month Treasury Bill ⁴⁾	Mar	0.03%	0.31%	0.03%	--	--
Corporate Aaa Bonds ⁴⁾	Mar	3.82%	3.96%	3.64%	--	--
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)	Mar	\$1,335.7	\$1,012.6	\$1,235.7	NM	8.1

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.

