

# MICHIGAN ECONOMIC INDICATORS

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

## ECONOMIC HIGHLIGHTS

- **Employment** increased by 958,000 in November 2013, primarily due to the recall of furloughed Federal workers counted as unemployed in October. Compared with a year ago, this broad measure of employment was up 0.8%, an increase of 1.2 million workers.



- **U.S. motor vehicle** inventories were higher than one year ago. Car inventories were up 23.3% compared with November 2012, an increase in supply from 65 days in November 2012 to 80 days in November 2013. The inventory of trucks increased by 13.0% from November 2012; however, because light truck sales have been growing rapidly, the supply increased only from 72 days to 75 days.

- **Personal income** grew 1.0% in Michigan during the third quarter of 2013, only slightly lower than the national growth rate of 1.1%, ranking Michigan 30<sup>th</sup> among all states. Of the Great Lakes states, only Wisconsin grew at a faster rate than Michigan, with 1.3% growth, ranking fourth nationwide. Ohio, Illinois, and Indiana ranked 40<sup>th</sup>, 41<sup>st</sup>, and 42<sup>nd</sup>, respectively, with quarterly growth that averaged 0.8%
- The **all-transactions housing price index** for Michigan (Federal Housing Finance Agency) increased by 2.7% in the third quarter of 2013, the fifth consecutive quarterly increase and the longest stretch of growth since the housing value peak in the third quarter of 2005. The index, which uses data from home sales and appraisals, remained 20.1% below the peak, but had recovered 10.3% from the low point in the second quarter of 2011.



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

U.S.	Nov. 2013	Oct. 2013	Nov. 2012	Change from Oct.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	155,284	154,625	155,279	659	0.4%	5	0.0%
Employment	144,443	143,485	143,233	958	0.7	1,210	0.8
Unemployment	10,841	11,140	12,045	(299)	(2.7)	(1,204)	(10.0)
Unemployment Rate	7.0%	7.2%	7.8%	---	---	---	---
Michigan	Nov. 2013	Oct. 2013	Nov. 2012	Change from Oct.		Change from Year Ago	
Labor Force	4,707	4,724	4,643	(17)	(0.4%)	64	1.4%
Employment	4,294	4,301	4,225	(7)	(0.2)	68	1.6
Unemployment	413	423	417	(10)	(2.4)	(4)	(1.0)
Unemployment Rate	8.8%	9.0%	9.0%	---	---	---	---

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



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MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Nov. 2013*	Oct. 2013	Nov. 2012	Change from Oct.		Change from Yr Ago	
				Number	Percent	Number	Percent
<b>Total Non-Agricultural Jobs</b>	4,092	4,093	4,036	(1)	(0.0%)	56	1.4%
<b>Goods Producing Industries</b>	697	692	679	5	0.7	18	2.7
Mining and Logging	8	8	8	0	2.5	1	6.4
Construction	126	125	127	0	0.3	(2)	(1.2)
Manufacturing	563	559	544	4	0.8	19	3.6
Transportation Equipment	169	168	159	2	0.9	10	6.3
<b>Service Producing Industries</b>	3,395	3,401	3,357	(6)	(0.2)	37	1.1
Trade, Transportation & Utilities	744	745	732	(0)	(0.1)	12	1.7
Wholesale Trade	163	162	160	1	0.4	3	2.1
Retail Trade	456	459	450	(3)	(0.7)	6	1.3
Transportation & Utilities	126	123	122	2	1.8	3	2.7
Information	52	53	53	(0)	(0.6)	(0)	(0.2)
Financial Activities	196	196	197	(0)	(0.1)	(0)	(0.2)
Professional & Business Services	596	596	578	1	0.1	18	3.1
Education & Health Services	640	640	634	(1)	(0.1)	6	0.9
Leisure & Hospitality Services	395	398	386	(3)	(0.8)	8	2.1
Other Services	167	167	169	(0)	(0.1)	(2)	(1.3)
Government	604	606	608	(2)	(0.4)	(4)	(0.7)

**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		
	Nov. 2013	Year Ago	Percent Change	Nov. 2013	Year Ago	Percent Change
Construction	37.9	39.5	(4.1%)	\$931.20	\$953.14	(2.3%)
Manufacturing	43.5	44.2	(1.6)	856.08	917.15	(6.7)
Durable Goods	44.2	45.0	(1.8)	989.10	908.75	8.8
Transportation Equipment Mfg.	45.7	47.4	(3.6)	1,089.03	1,282.17	(15.1)
Motor Vehicle Parts Mfg.	46.7	47.9	(2.5)	1,064.29	1,194.15	(10.9)
Nondurable Goods	41.3	41.6	(0.7)	690.95	693.06	(0.3)
Wholesale Trade	38.1	37.5	1.6	882.02	822.00	7.3
Retail Trade	29.5	30.0	(1.7)	388.52	379.50	2.4
Information	33.1	35.4	(6.5)	831.14	846.41	(1.8)
Financial Activities	34.0	35.7	(4.8)	675.24	675.80	(0.1)
Professional & Business Services	34.8	34.6	0.6	797.62	775.39	2.9
Health Care & Social Assistance	32.3	32.1	0.6	618.87	606.37	2.1
Leisure & Hospitality	22.1	22.1	0.0	223.65	216.36	3.4
Accommodation & Food Services	22.2	22.1	0.5	213.12	207.96	2.5

**Source:** Bureau of Labor Statistics, U.S. Department of Labor

<b>MICHIGAN UNEMPLOYMENT RATES BY SELECTED METROPOLITAN AREAS AND MULTI-COUNTY AREAS (Not Adjusted for Seasonal Variations)</b>				
	Nov. 2013	Oct. 2013	Sept. 2013	Nov. 2012
<b>Metropolitan Statistical Areas</b>				
Ann Arbor	5.3%	6.0%	5.6%	4.5%
Battle Creek	6.5	7.2	6.9	6.0
Bay City	7.9	8.4	8.1	7.0
Detroit-Warren-Livonia	8.3	9.0	9.4	9.7
Flint	9.0	9.7	9.2	8.2
Grand Rapids-Wyoming	5.6	6.3	6.0	5.5
Holland-Grand Haven	5.8	6.4	6.0	5.5
Jackson	8.0	8.6	8.1	7.2
Kalamazoo-Portage	6.7	7.3	6.9	6.2
Lansing-East Lansing	6.3	7.1	6.7	5.8
Monroe	7.3	7.7	7.3	6.6
Muskegon-Norton Shores	7.9	8.7	8.2	7.5
Niles-Benton Harbor	8.1	8.6	8.2	7.5
Saginaw-Saginaw Twp North	8.1	8.9	8.4	7.2
<b>Multi-County Areas</b>				
Northeast Lower Michigan	11.7	10.8	9.7	9.8
Northwest Lower Michigan	9.2	9.0	8.3	8.4
Upper Peninsula	9.0	8.6	8.0	7.8
<b>Michigan Statewide Average</b>				
-- Unadjusted (comparable to figures shown above)	7.8	8.3	8.3	8.0

**Source:** Michigan Department of Technology, Management, and Budget

<b>MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units)</b>							
	Nov. 2013	Oct. 2013	Sept. 2013	Aug. 2013	Year Ago Nov.	Percent Change From:	
						Nov./Oct.	Nov. 2013/ Nov. 2012
<b>Motor Vehicle Sales<sup>1)</sup> (thousands of units, SAAR)</b>							
Autos	7,918	7,422	7,525	7,840	7,654	6.7%	3.4%
Domestics	5,570	5,299	5,240	5,516	5,433	5.1	2.5
Imports	2,348	2,123	2,285	2,324	2,221	10.6	5.7
Import Share	29.7%	28.6%	30.4%	29.6%	29.0%	---	---
Light Trucks	8,388	7,724	7,681	8,187	7,604	8.6	10.3
Domestics	7,047	6,418	6,409	6,925	6,486	9.8	8.6
Imports	1,341	1,306	1,272	1,262	1,118	2.7	19.9
Import Share	16.0%	16.9%	16.6%	15.4%	14.7%	---	---
Subtotal: Light Vehicle Sales	16,306	15,146	15,206	16,027	15,258	7.7	6.9
Heavy Trucks	360	374	362	346	326	(3.7)	10.4
Total Vehicle Sales	16,666	15,520	15,568	16,373	15,584	7.4	6.9
<b>U.S. Motor Vehicle Production<sup>1)</sup> (millions of units, SAAR)</b>							
Autos	4,423	4,208	4,426	4,220	4,274	5.1	3.5
<b>Michigan Motor Vehicle Production<sup>2)</sup> (thousands of units, SAAR)</b>							
Autos	1,090	970	952	830	1,050	12.5	3.9
Trucks	1,546	1,496	1,508	1,467	1,219	3.4	26.8
Total	2,636	2,465	2,460	2,297	2,268	6.9	16.2
Michigan Production as % of U.S.	22.9%	21.8%	22.6%	22.4%	20.5%	---	---
<b>U.S. Motor Vehicle Inventories<sup>3)</sup></b>							
Total Car	1,835	1,677	1,515	1,389	1,488	9.4	23.3
Days Supply	80	78	61	52	65	2.6	23.1
Total Truck	1,866	1,743	1,593	1,516	1,650	7.0	13.0
Days Supply	75	75	64	57	72	0.0	4.2

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
<b>Index of Consumer Sentiment</b> , monthly <sup>1)</sup> (1996 Q1=100)	Nov.	75.1	73.2	82.7	2.6%	(9.2%)
<b>Oil Prices</b> <sup>2)</sup> (\$ per barrel, West Texas Intermediate Crude)	Nov.	\$93.86	\$100.54	\$86.53	(6.6)	8.5
<b>Housing Starts, U.S.</b> <sup>3)</sup> (thousands of units, SAAR)	Nov.	1,091	889	842	22.7	29.6
<b>Retail Sales, U.S.</b> <sup>3)</sup> (billions, seasonally adjusted)	Nov.	\$385.0	\$382.7	\$368.0	0.6	4.6
<b>Industrial Production Index</b> <sup>4)</sup> (1997=100, seasonally adjusted)	Nov.	101.3	100.2	98.1	1.1	3.2
<b>Capacity Utilization</b> <sup>4)</sup> (% of total capacity, seasonally adjusted)	Nov.	79.0	78.2	77.9	1.0	1.4
<b>Consumer Price Index</b> <sup>5)</sup> (1982-84=100)						
U.S. (seasonally adjusted)	Nov.	233.9	233.8	231.1	0.4	1.2
Detroit (not seasonally adjusted)	Oct.	219.7	220.0	218.1	(0.9)	0.7
<b>Interest Rates</b>						
3-month Treasury Bill <sup>4)</sup>	Nov.	0.07%	0.05%	0.09%	---	---
Corporate Aaa Bonds <sup>4)</sup>	Nov.	4.63%	4.53%	3.50%	---	---
<b>Real Gross Domestic Product</b> <sup>6)</sup> (billions of 2005 \$, SAAR, Chain-Weighted)	2013 3rd Qtr.	\$15,839.3	\$15,679.7	\$15,534.0	4.1	2.0
<b>Michigan Tax Collections</b> <sup>7)</sup> (12 major taxes, millions)	Nov. 2013	1,641.7	2,594.0	1,789.0	NM	(8.2)

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.

