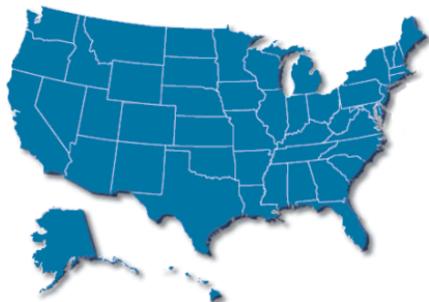


Michigan Economic Indicators

APRIL 2017



ECONOMIC HIGHLIGHTS



The intermediate (second) estimate for inflation-adjusted gross domestic product (GDP) indicated that the economy grew at a 1.2% annual rate in the first quarter of 2017, compared to a 2.1% increase in the fourth quarter of 2016. Personal consumption expenditures increased at only a 0.6% annual rate and accounted for about a third of the growth rate during the first quarter of 2017. Investment accounted for roughly two-thirds of the increase, as the positive contribution of an improved trade position was more than offset by declines in the government sector.

The Institute for Supply Management's Purchasing Managers Index for Manufacturing fell from 57.2 in March 2017 to 54.8 in April 2017, the eighth consecutive monthly decline in the index. A reading above 50 indicates expansion in the economy, so while the April index indicates that the manufacturing sector is continuing to expand, the rate of expansion is slowing. The largest declines in the 10 different index components occurred for new orders and employment, both of which remained at expansionary levels, but declined by approximately 7.0 percentage points.



Wage and salary employment in Michigan increased by 12,000 jobs from March 2017 to April 2017. Compared to April 2016, employment was up 75,000 jobs (1.7%), with only the wholesale trade and retail trade sectors exhibiting year-over-year declines (0.1% and 0.9%, respectively). The construction sector exhibited the most rapid year-over-year growth, increasing 5.5%, followed by the leisure and hospitality services (3.5%), and professional/business services (2.6%) sectors.

Michigan **motor vehicle production** decreased 16.4% from March 2017 to April 2017 to 1.9 million units at a seasonally adjusted annual rate--the lowest level since October 2011. Compared to April 2016, automobile production in April 2017 was down 24.9%, while truck production was down 16.3%. Michigan's share of total U.S. motor vehicle production declined from 19.6% in April 2016 to 18.6% in April 2017.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Apr 2017	Mar 2017	Apr 2016	Change from March		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	160,213	160,201	158,938	12	0.0%	1,275	0.8%
Employment	153,156	153,000	151,028	156	0.1	2,128	1.4
Unemployment	7,057	7,201	7,910	(144)	(2.0)	(853)	(10.8)
Unemployment Rate	4.4%	4.5%	5.0%	--	--	--	--
Michigan	Apr 2017	Mar 2017	Apr 2016	Change from March		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,915	4,914	4,808	2	0.0%	107	2.2%
Employment	4,684	4,666	4,575	18	0.4	109	2.4
Unemployment	232	248	233	(16)	(6.5)	(2)	(0.7)
Unemployment Rate	4.7%	5.0%	4.9%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Apr 2017*	Mar 2017	Apr 2016	Change from Mar		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,391	4,379	4,316	12	0.3%	75	1.7%
Goods Producing Industries	780	772	765	8	1.1	15	2.0
Mining and Logging	8	7	7	0	2.7	0	1.4
Construction	164	164	156	0	0.1	9	5.5
Manufacturing	609	601	602	8	1.3	7	1.1
Transportation Equipment	182	181	180	0	0.2	2	0.9
Service Producing Industries	3,610	3,607	3,551	4	0.1	59	1.7
Trade, Transportation & Utilities	781	784	782	(4)	(0.4)	(2)	(0.2)
Wholesale Trade	172	172	172	0	0.1	(0)	(0.1)
Retail Trade	469	474	474	(5)	(1.0)	(4)	(0.9)
Transportation & Utilities	139	138	137	1	0.8	3	2.0
Information	58	59	57	(1)	(1.0)	1	1.6
Financial Activities	216	217	212	(1)	(0.5)	5	2.2
Professional & Business Services	663	661	646	2	0.3	17	2.6
Education & Health Services	670	671	664	(1)	(0.1)	6	0.9
Leisure & Hospitality Services	440	436	425	4	0.9	15	3.5
Other Services	173	171	169	3	1.6	4	2.4
Government	610	608	596	1	0.2	13	2.2

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

MICHIGAN AVERAGE WEEKLY HOURS AND EARNINGS (Not seasonally adjusted)						
Industry	Average Weekly Hours			Average Weekly Earnings		
	Apr 2017	Year Ago	Percent Change	Apr 2017	Year Ago	Percent Change
Construction	40.1	39.9	0.5%	\$942.35	\$1,012.26	(6.9%)
Manufacturing	42.1	42.9	(1.9)	872.31	878.59	(0.7)
Durable Goods	43.1	43.7	(1.4)	926.65	937.37	(1.1)
Transportation Equipment Mfg.	45.9	45.2	1.5	1,073.60	1,089.77	(1.5)
Motor Vehicle Parts Mfg.	43.1	44.8	(3.8)	919.75	937.66	(1.9)
Nondurable Goods	39.0	40.5	(3.7)	705.51	698.63	1.0
Wholesale Trade	39.6	39.4	0.5	971.39	920.38	5.5
Retail Trade	30.5	29.4	3.7	437.37	417.48	4.8
Information	34.9	34.5	1.2	913.33	903.21	1.1
Financial Activities	36.1	35.4	2.0	836.80	833.67	0.4
Professional & Business Services	35.0	35.9	(2.5)	821.45	821.03	0.1
Health Care & Social Assistance	32.3	31.4	2.9	649.23	625.49	3.8
Leisure & Hospitality	22.0	22.5	(2.2)	261.58	247.05	5.9
Accommodation & Food Services	22.0	22.6	(2.7)	247.72	239.79	3.3

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)				
	Apr 2017	Mar 2017	Feb 2017	Apr 2016
Metropolitan Statistical Areas				
Ann Arbor	2.2%	2.8%	3.5%	3.0%
Battle Creek	3.6	4.4	5.3	4.5
Bay City	4.4	5.5	6.7	5.3
Detroit-Warren-Dearborn	4.0	5.0	5.9	4.6
Flint	4.3	5.4	6.4	5.3
Grand Rapids-Wyoming	2.4	3.1	3.7	3.2
Jackson	3.4	4.4	5.4	4.6
Kalamazoo-Portage	3.1	3.9	4.8	4.0
Lansing-East Lansing	2.9	3.7	4.3	3.6
Midland	3.6	4.6	5.6	4.4
Monroe	3.7	4.6	5.6	4.0
Muskegon	3.9	4.8	5.9	5.1
Niles-Benton Harbor	3.6	4.6	5.9	4.5
Saginaw	4.1	5.2	6.3	5.0
Multi-County Areas				
Northeast Lower Michigan	6.7	9.3	11.1	8.1
Northwest Lower Michigan	4.6	6.4	7.5	6.0
Upper Peninsula	5.8	7.3	8.5	7.1
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	3.7	4.8	5.7	4.5
Source: Michigan Department of Technology, Management, and Budget				

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Apr 2017	Mar 2017	Feb 2017	Jan 2017	Year Ago Apr	Percent Change From:	
						Apr/Mar	Apr 2017/ Apr 2016
Motor Vehicle Sales¹⁾							
Autos	6,208	6,092	6,262	6,334	6,856	1.9%	(9.5%)
Domestics	4,812	4,678	4,754	4,756	5,068	2.9	(5.1)
Imports	1,396	1,414	1,508	1,578	1,788	(1.3)	(21.9)
Import Share	22.5%	23.2%	24.1%	24.9%	26.1%	----	----
Light Trucks	10,608	10,431	11,180	11,162	10,486	1.7	1.2
Domestics	8,312	8,286	8,868	8,846	8,446	0.3	(1.6)
Imports	2,296	2,145	2,312	2,316	2,040	7.0	12.5
Import Share	21.6%	20.6%	20.7%	20.7%	19.5%	----	----
Subtotal: Light Vehicle Sales	16,816	16,523	17,442	17,496	17,342	1.8	(3.0)
Heavy Trucks	392	395	398	367	421	(0.8)	(6.9)
Total Vehicle Sales	17,208	16,918	17,840	17,863	17,763	1.7	(3.1)
U.S. Motor Vehicle Production¹⁾							
Autos	3,574	3,073	3,442	3,452	3,928	16.3	(9.0)
Michigan Motor Vehicle Production²⁾							
Autos	605	670	653	1,033	806	(9.7)	(24.9)
Trucks	1,335	1,650	1,433	1,472	1,595	(19.1)	(16.3)
Total	1,941	2,321	2,086	2,506	2,400	(16.4)	(19.1)
Michigan Production as % of U.S.	18.6%	18.3%	19.4%	19.4%	19.6%	----	----
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,563	1,604	1,596	1,579	1,549	(2.5)	0.9
Days Supply	75	73	79	92	68	2.7	10.3
Total Truck	2,594	2,588	2,508	2,447	2,336	0.2	11.0
Days Supply	76	73	71	80	71	4.1	7.0
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 ⁹⁾	Year Ago
Index of Consumer Sentiment, monthly ¹⁾ (1996 Q1=100)	Apr	97.0	96.9	89.0	0.1%	9.0%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Apr	\$51.06	\$49.33	\$40.75	3.5	25.3
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Apr	1,156	1,189	1,164	(2.8)	(0.7)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Apr	\$418.3	\$416.7	\$400.2	0.4	4.5
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Apr	105.1	104.1	102.9	1.0	2.2
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Apr	76.7	76.1	75.6	0.9	1.4
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Apr	244.2	243.8	238.9	2.0	2.2
Detroit (not seasonally adjusted)	Apr	226.5	225.0	221.4	4.1	2.3
Interest Rates						
3-month Treasury Bill ⁴⁾	Apr	0.81%	0.75%	0.23%	--	--
30-year Conventional Mortgage ⁶⁾	Apr	4.05%	4.20%	3.61%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2017 1st Quarter	\$16,861.6	\$16,813.3	\$16,525.0	1.2	2.0
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Apr	\$2,073.1	\$1,206.4	\$1,852.8	NM	11.9

SAAR = Seasonally Adjusted at Annual Rates. NM = Not Meaningful.
Revenue data vary greatly from month-to-month due to timing and other noneconomic factors.

Sources: 1) University of Michigan Surveys of Consumers. 2) U.S. Energy Information Administration/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) Freddie Mac, Primary Mortgage Market Survey. 7) U.S. Department of Commerce, Bureau of Economic Analysis. 8) Michigan Department of Treasury and the Senate Fiscal Agency. 9) Percent changes from previous period for CPI and GDP at annual rate.

