

Michigan Economic Indicators

APRIL 2018



ECONOMIC HIGHLIGHTS



The **U.S. unemployment rate** decreased to 3.9% in April 2018, down from 4.1% in March 2018 and 4.4% in April 2017, and the lowest level since December 2000. The decline from March 2018 reflected the departure of large numbers of people from the labor force, which declined by 236,000 people as employment grew by 3,000 jobs. However, compared to April 2017, the decline in the unemployment rate reflected employment growing by 2.0 million jobs while only 1.3 million additional individuals entered the labor force, causing the number of unemployed individuals to decline by almost 700,000.

Light vehicle sales fell to a 17.1 million unit annual rate in April 2018, a 1.6% decline from the level in March 2018 but 0.9% above the April 2017 level. While overall sales were mostly unchanged compared to the prior-year level, the composition of sales changed significantly. Compared to April 2017, sales of automobiles in April 2018 were 16.3% lower, while sales of light trucks were up 10.9%. Generally, imported vehicle sales fared better than domestics, with the import share of automobiles rising from 23.4% in April 2017, to 24.0% in April 2018; and the import share of light trucks increasing from 21.7% to 23.3%.



Michigan **motor vehicle production** increased 4.9% between April 2017 and April 2018. Somewhat mirroring the changes in national sales, automobile production in April 2018 was up 0.4% from April 2017, while truck production increased 7.1%. In April 2018, Michigan's share of total U.S. vehicle production was 18.4%, down slightly from 18.6% in April 2017.

The Michigan average **home selling price** over the period of January 2018 to April 2018 was \$167,184, up 6.8% from the same period in 2017, based on home sales reported by Michigan Realtors®. However, the number of Michigan **home sales** year-to-date through April 2018 was down 7.3% compared to the same period in 2017.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Apr 2018	Mar 2018	Apr 2017	Change from March		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	161,527	161,763	160,181	(236)	(0.1%)	1,346	0.8%
Employment	155,181	155,178	153,161	3	0.0	2,020	1.3
Unemployment	6,346	6,585	7,020	(239)	(3.6)	(674)	(9.6)
Unemployment Rate	3.9%	4.1%	4.4%	--	--	--	--
Michigan	Apr 2018	Mar 2018	Apr 2017	Change from March		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,902	4,898	4,867	4	0.1%	36	0.7%
Employment	4,674	4,668	4,651	6	0.1	23	0.5
Unemployment	228	230	216	(2)	(0.8)	13	5.8
Unemployment Rate	4.7%	4.7%	4.4%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Apr 2018	Mar 2018	Apr 2017	Change from Mar		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,414	4,424	4,368	(10)	(0.2%)	46	1.0%
Goods Producing Industries	795	798	785	(2)	(0.3)	11	1.4
Mining and Logging	7	8	7	(0)	(2.7)	0	1.4
Construction	171	172	161	(1)	(0.6)	10	6.1
Manufacturing	617	618	616	(1)	(0.2)	1	0.1
Transportation Equipment	188	188	187	0	0.2	1	0.5
Service Producing Industries	3,618	3,626	3,583	(8)	(0.2)	35	1.0
Trade, Transportation & Utilities	794	795	790	(0)	(0.0)	4	0.5
Wholesale Trade	175	174	173	1	0.4	2	1.0
Retail Trade	474	475	476	(1)	(0.1)	(2)	(0.4)
Transportation & Utilities	146	146	142	(0)	(0.3)	4	2.9
Information	55	55	57	(1)	(1.3)	(2)	(3.9)
Financial Activities	220	219	218	1	0.2	2	0.9
Professional & Business Services	658	661	647	(3)	(0.5)	11	1.7
Education & Health Services	675	674	671	1	0.1	4	0.6
Leisure & Hospitality Services	437	442	432	(4)	(1.0)	6	1.3
Other Services	170	171	168	(1)	(0.3)	3	1.6
Government	609	609	601	0	0.0	8	1.3

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 2018	Year Ago	Percent Change	Apr 2018	Year Ago	Percent Change
Construction	39.2	40.1	(2.2%)	\$1,001.95	\$948.77	5.6%
Manufacturing	44.0	42.1	4.5	935.88	872.31	7.3
Durable Goods	45.1	43.1	4.6	999.42	926.65	7.9
Transportation Equipment Mfg.	49.5	45.9	7.8	1,224.14	1,073.60	14.0
Motor Vehicle Parts Mfg.	48.7	43.3	12.5	1,081.14	924.46	16.9
Nondurable Goods	40.7	38.9	4.6	742.78	703.70	5.6
Wholesale Trade	40.0	39.5	1.3	1,064.80	965.38	10.3
Retail Trade	29.9	30.5	(2.0)	437.14	438.29	(0.3)
Information	34.0	34.9	(2.6)	954.38	910.54	4.8
Financial Activities	35.7	36.2	(1.4)	851.45	840.20	1.3
Professional & Business Services	35.1	35.0	0.3	842.40	822.15	2.5
Health Care & Social Assistance	32.6	32.2	1.2	694.71	649.47	7.0
Leisure & Hospitality	23.0	22.1	4.1	283.82	262.55	8.1
Accommodation & Food Services	23.1	22.1	4.5	277.20	248.40	11.6

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 2018	Mar 2018	Feb 2018	Apr 2017
Metropolitan Statistical Areas				
Ann Arbor	2.8	3.1	3.6	2.6
Battle Creek	4.4	4.9	5.6	4.2
Bay City	5.2	6.1	6.9	5.1
Detroit-Warren-Dearborn	3.6	4.3	4.6	3.4
Flint	5.0	5.8	6.5	4.9
Grand Rapids-Wyoming	3.0	3.5	4.0	2.8
Jackson	4.0	4.6	5.3	4.0
Kalamazoo-Portage	3.8	4.4	5.1	3.6
Lansing-East Lansing	3.5	3.9	4.5	3.3
Midland	4.4	5.2	5.8	4.1
Monroe	3.7	4.2	5.3	3.8
Muskegon	4.7	5.4	6.1	4.5
Niles-Benton Harbor	4.4	5.2	6.0	4.1
Saginaw	5.0	5.8	6.5	4.8
Multi-County Areas				
Northeast Lower Michigan	8.0	10.1	11.3	7.7
Northwest Lower Michigan	5.7	6.7	7.6	5.3
Upper Peninsula	6.7	7.5	8.3	6.5
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	4.0	4.6	5.2	3.8
Source: Michigan Department of Technology, Management, and Budget				

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Apr 2018	Mar 2018	Feb 2018	Jan. 2018	Year Ago Apr	Percent Change From:	
						Apr/Mar	Apr 2018/ Apr 2017
Motor Vehicle Sales¹⁾							
Autos	5,233	5,424	5,483	5,521	6,255	(3.5%)	(16.3%)
Domestics	3,978	4,166	4,173	4,183	4,790	(4.5)	(17.0)
Imports	1,255	1,258	1,310	1,338	1,465	(0.2)	(14.3)
Import Share	24.0%	23.2%	23.9%	24.2%	23.4%	----	----
Light Trucks	11,880	11,972	11,484	11,562	10,713	(0.8)	10.9
Domestics	9,111	9,241	8,710	8,906	8,383	(1.4)	8.7
Imports	2,769	2,731	2,774	2,656	2,330	1.4	18.8
Import Share	23.3%	22.8%	24.2%	23.0%	21.7%	----	----
Subtotal: Light Vehicle Sales	17,113	17,396	16,967	17,083	16,968	(1.6)	0.9
Heavy Trucks	480	440	475	438	408	9.1	17.6
Total Vehicle Sales	17,593	17,836	17,442	17,521	17,376	(1.4)	1.2
U.S. Motor Vehicle Production¹⁾							
Autos	3,095	3,120	2,993	2,570	3,425	(0.8)	(9.6)
Michigan Motor Vehicle Production²⁾							
Autos	647	649	578	492	644	(0.2)	0.4
Trucks	1,405	1,440	1,153	1,331	1,312	(2.4)	7.1
Total	2,052	2,088	1,730	1,823	1,956	(1.7)	4.9
Michigan Production as % of U.S.	18.4%	18.3%	15.8%	15.6%	18.6%	----	----
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,267	1,279	1,295	1,285	1,563	(0.9)	(19.0)
Days Supply	71	66	73	87	75	7.6	(5.3)
Total Truck	2,835	2,787	2,726	2,599	2,594	1.7	9.3
Days Supply	73	70	74	82	76	4.3	(3.9)
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	98.8	101.4	97.0	(2.6%)	1.9%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Apr	\$66.25	\$62.73	\$51.06	5.6	29.7
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Apr	1,287	1,336	1,165	(3.7)	10.5
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Apr	\$439.1	\$437.6	\$419.0	0.4	4.8
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Apr	107.3	106.5	103.7	0.7	3.5
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Apr	78.0	77.6	76.2	0.6	2.3
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Apr	250.0	249.5	244.1	2.7	2.4
Detroit (not seasonally adjusted)	Apr	231.8	229.7	226.5	5.5	2.3
Interest Rates						
3-month Treasury Bill ⁴⁾	Apr	1.79%	1.73%	0.81%	--	--
30-year Conventional Mortgage ⁶⁾	Apr	4.47%	4.44%	4.05%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2018 1st Quarter	\$17,379.7	\$17,286.5	\$16,903.2	2.2	2.8
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Apr	\$2,370.6	\$1,417.2	\$2,073.1	NM	14.4

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.

