

# Michigan Economic Indicators

APRIL 2019



## ECONOMIC HIGHLIGHTS



The **U.S. unemployment rate** decreased to 3.6% in April 2019, down from 3.8% in March 2019 and 3.9% in April 2018. The April 2019 unemployment rate is the lowest level since December 1969, when the rate was 3.5%. The decline from March 2019 occurred due to large numbers of people leaving the labor force. Employment fell by 103,000 jobs in April, but the labor force decreased by 490,000 people. However, compared to April 2018, the decline in the unemployment rate reflected employment growing by 1.4 million jobs while only 919,000 additional individuals entered the labor force, causing the number of unemployed individuals to decline by more than 500,000.

The United States **current account deficit** increased \$39.4 billion, to \$488.5 billion (2.4% of GDP), in 2018, up from \$449.1 billion (2.3% of GDP) in 2017. The current account measures the balance of trade plus transfers of capital. The largest component of the current account deficit is the trade deficit, which increased by \$69.8 billion, from \$552.3 billion in 2017 to \$622.1 billion in 2018, as the deficit in trade for goods increased faster than the surplus of trade for services. The surplus in capital transfers (mostly net income) increased \$30.5 billion between 2017 and 2018. The largest annual current account deficit was 2006, when it was \$806.0 billion (5.8% of GDP).



In April 2019, **revenue from Michigan's major taxes** totaled \$2.73 billion, up 15.1% (\$358.4 million) from April 2018. The increase was due largely to increased individual income tax annual payments, which were up 56.6% (\$329.7 million) from the previous year. Much of the increase may be attributed to changes in taxpayer behavior during 2018, especially by those with pass-through business activity, in response to Federal income tax changes that were realized with April payments.

**Regional unemployment rates** decreased in April 2019 compared to April 2018 for all but two metropolitan statistical areas, reflecting an overall tighter labor market in the State. The two metropolitan areas that saw an increase in the unemployment rate were Detroit-Warren-Dearborn, which increased from 3.5% to 3.9%, and Monroe, which increased from 3.4% to 3.5%. The northeast lower Michigan area saw the largest decrease, falling 0.7% from 7.4% in April 2018 to 6.7% in April 2019. Northwest lower Michigan and Muskegon also saw large decreases, each falling 0.6% from the previous year.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Apr 2019	Mar 2019	Apr 2018	Change from Mar		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	162,470	162,960	161,551	(490)	(0.3%)	919	0.6%
Employment	156,645	156,748	155,216	(103)	(0.1)	1,429	0.9
Unemployment	5,825	6,212	6,335	(387)	(6.2)	(510)	(8.1)
Unemployment Rate	3.6%	3.8%	3.9%	--	--	--	--
Michigan	Apr 2019*	Mar 2019	Apr 2018	Change from Mar		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,948	4,937	4,907	10	0.2%	41	0.8%
Employment	4,746	4,739	4,697	7	0.1	49	1.0
Unemployment	202	198	209	3	1.7	(8)	(3.7)
Unemployment Rate	4.1%	4.0%	4.3%	--	--	--	--

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

\*Preliminary



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Apr 2019*	Mar 2019	Apr 2018	Change from Mar		Change from Yr Ago	
				Number	Percent	Number	Percent
<b>Total Non-Agricultural Jobs</b>	4,448	4,446	4,411	2	0.0%	37	0.8%
<b>Goods Producing Industries</b>	816	818	803	(2)	(0.2)	13	1.6
Mining and Logging	7	7	7	0	1.4	0	1.4
Construction	174	173	167	1	0.4	7	3.9
Manufacturing	635	637	628	(3)	(0.4)	7	1.0
Transportation Equipment	196	196	192	0	0.1	4	2.2
<b>Service Producing Industries</b>	3,632	3,628	3,608	4	0.1	24	0.7
Trade, Transportation & Utilities	797	796	789	0	0.0	7	0.9
Wholesale Trade	173	172	172	0	0.2	1	0.5
Retail Trade	470	469	471	0	0.1	(1)	(0.3)
Transportation & Utilities	154	155	147	(0)	(0.3)	8	5.2
Information	58	57	56	1	0.9	2	3.4
Financial Activities	222	222	219	(0)	(0.1)	4	1.6
Professional & Business Services	661	660	660	1	0.1	1	0.2
Education & Health Services	676	676	681	0	0.0	(4)	(0.6)
Leisure & Hospitality Services	441	441	432	0	0.0	9	2.1
Other Services	170	169	167	1	0.6	4	2.2
Government	608	607	606	1	0.2	2	0.3

**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 2019*	Year Ago	Percent Change	Apr 2019*	Year Ago	Percent Change
Construction	38.6	39.3	(1.8%)	\$1,058.03	\$1,003.33	5.5%
Manufacturing	42.2	44.0	(4.1)	935.57	938.52	(0.3)
Durable Goods	43.0	45.0	(4.4)	982.55	999.45	(1.7)
Transportation Equipment Mfg.	46.3	49.6	(6.7)	1,194.54	1,221.65	(2.2)
Motor Vehicle Parts Mfg.	46.5	49.3	(5.7)	1,088.57	1,090.02	(0.1)
Nondurable Goods	39.6	40.7	(2.7)	781.70	744.40	5.0
Wholesale Trade	38.0	40.1	(5.2)	1,028.28	1,071.47	(4.0)
Retail Trade	29.2	29.9	(2.3)	443.55	436.54	1.6
Information	34.7	33.7	3.0	941.06	946.97	(0.6)
Financial Activities	35.8	35.7	0.3	917.91	848.59	8.2
Professional & Business Services	35.0	35.0	0.0	912.45	842.45	8.3
Health Care & Social Assistance	32.4	32.6	(0.6)	730.62	695.03	5.1
Leisure & Hospitality	22.9	22.9	0.0	288.08	284.42	1.3
Accommodation & Food Services	23.0	23.0	0.0	283.13	277.38	2.1

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



MICHIGAN UNEMPLOYMENT RATES BY SELECTED METROPOLITAN AREAS AND MULTI-COUNTY AREAS (Not Adjusted for Seasonal Variations)				
	Apr 2019	Mar 2019	Feb 2019	Apr 2018
<b>Metropolitan Statistical Areas</b>				
Ann Arbor	2.5%	3.0%	2.7%	2.6%
Battle Creek	3.7	4.4	4.1	4.0
Bay City	4.3	5.3	5.1	4.8
Detroit-Warren-Dearborn	3.9	4.4	4.0	3.5
Flint	4.3	5.2	4.9	4.6
Grand Rapids-Wyoming	2.5	3.2	2.9	2.7
Jackson	3.3	4.1	3.9	3.6
Kalamazoo-Portage	3.1	3.9	3.6	3.4
Lansing-East Lansing	2.9	3.6	3.3	3.2
Midland	3.4	4.3	4.0	3.9
Monroe	3.5	4.1	4.2	3.4
Muskegon	3.7	4.6	4.2	4.3
Niles-Benton Harbor	3.6	4.5	4.4	4.0
Saginaw	4.3	5.3	5.1	4.5
<b>Multi-County Areas</b>				
Northeast Lower Michigan	6.7	8.8	8.4	7.4
Northwest Lower Michigan	4.7	5.8	5.6	5.3
Upper Peninsula	5.7	6.6	6.2	6.1
<b>Michigan Statewide Average</b> (unadjusted - comparable to figures shown above)				
	3.7	4.4	4.1	3.7

Source: Michigan Department of Technology, Management, and Budget

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Apr 2019	Mar 2019	Feb 2019	Jan 2019	Year Ago Apr	Percent Change From:	
						Apr/Mar	Apr 2019/ Apr 2018
<b>Motor Vehicle Sales<sup>1)</sup></b>							
Autos	4,789	5,031	4,714	5,313	5,317	(4.8%)	(9.9%)
Domestics	3,591	3,885	3,609	4,147	4,081	(7.6)	(12.0)
Imports	1,198	1,146	1,105	1,166	1,236	4.5	(3.1)
Import Share	25.0%	22.8%	23.4%	21.9%	23.2%	----	----
Light Trucks	11,636	12,414	11,668	11,376	11,883	(6.3)	(2.1)
Domestics	9,131	9,755	8,935	8,768	9,090	(6.4)	0.5
Imports	2,505	2,659	2,733	2,608	2,793	(5.8)	(10.3)
Import Share	21.5%	21.4%	23.4%	22.9%	23.5%	----	----
Subtotal: Light Vehicle Sales	16,425	17,445	16,382	16,689	17,200	(5.8)	(4.5)
Heavy Trucks	508	516	504	532	447	(1.6)	13.6
Total Vehicle Sales	16,933	17,961	16,886	17,221	17,647	(5.7)	(4.0)
<b>U.S. Motor Vehicle Production<sup>1)</sup></b>							
Autos	2,441	2,442	2,666	2,845	2,914	(0.0)	(16.2)
<b>Michigan Motor Vehicle Production<sup>2)</sup></b>							
Autos	270	327	293	279	647	(17.5)	(58.3)
Trucks	1,716	1,603	1,549	1,748	1,405	7.1	22.1
Total	1,986	1,929	1,842	2,026	2,052	2.9	(3.2)
Michigan Production as % of U.S.	18.3%	18.9%	17.4%	16.6%	18.4%	----	----
<b>U.S. Motor Vehicle Inventories<sup>3)</sup></b>							
Total Car	1,082	1,118	1,138	1,109	1,267	(3.2)	(14.6)
Days Supply	69	62	72	76	71	11.3	(2.8)
Total Truck	3,039	3,070	2,990	2,907	2,835	(1.0)	7.2
Days Supply	81	74	81	93	73	9.5	11.0

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 <sup>9)</sup>	Year Ago
<b>Index of Consumer Sentiment</b> , monthly <sup>1)</sup> (1996 Q1=100)	Apr	97.2	98.4	98.8	(1.2%)	(1.6%)
<b>Oil Prices</b> <sup>2)</sup> (\$ per barrel, West Texas Intermediate Crude)	Apr	\$63.86	\$58.15	\$66.25	9.8	(3.6)
<b>Housing Starts, U.S.</b> <sup>3)</sup> (thousands of units, SAAR)	Apr	1,235	1,168	1,267	5.7	(2.5)
<b>Retail Sales, U.S.</b> <sup>3)</sup> (billions, seasonally adjusted)	Apr	\$451.9	\$453.0	\$439.7	(0.2)	2.8
<b>Industrial Production Index</b> <sup>4)</sup> (2007=100, seasonally adjusted)	Apr	109.2	109.7	108.2	(0.5)	0.9
<b>Capacity Utilization</b> <sup>4)</sup> (% of total capacity, seasonally adjusted)	Apr	77.9	78.5	78.8	(0.7)	(1.1)
<b>Consumer Price Index</b> <sup>5)</sup> (1982-84=100)						
U.S. (seasonally adjusted)	Apr	255.0	254.1	250.0	3.9	2.0
Detroit (not seasonally adjusted)	Apr	234.0	232.5	231.8	3.9	1.0
<b>Interest Rates</b>						
3-month Treasury Bill <sup>4)</sup>	Apr	2.43%	2.45%	1.79%	--	--
30-year Conventional Mortgage <sup>6)</sup>	Apr	4.14%	4.27%	4.47%	--	--
<b>Real Gross Domestic Product</b> <sup>7)</sup> (billions of 2009 \$, SAAR, Chain-Weighted)	2019 1st Quarter	\$18,907.5	\$18,765.3	\$18,324.0	3.1	3.2
<b>Michigan Tax Collections</b> <sup>8)</sup> (12 major taxes, millions)	Apr	\$2,729.0	\$1,339.7	\$2,370.6	NM	15.1

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

**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. The U.S. CPI is released monthly, while the Detroit CPI is released every two months, beginning in Feb. of each year. 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.

