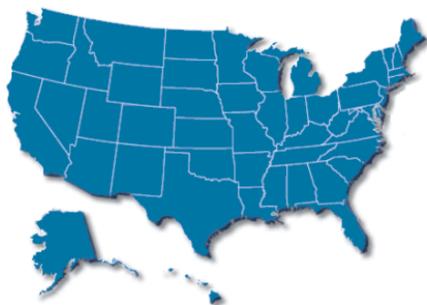


ECONOMIC HIGHLIGHTS



The **US Consumer Price Index (CPI)** for April 2021 increased at an annual rate of 9.6% from the March 2021 level, the largest monthly gain since June 2009, and was 4.2% above the level in April 2020, which was the largest year-over-year increase since September 2008. Much of the year-over-year increase is explained by "base effects", that the index is being compared to an abnormally low CPI from April 2020, which had decreased for two months near the beginning of the COVID-19 public health emergency. "Core CPI" (CPI minus food and energy prices) rose 11.6% at an annual rate compared to March 2021, the largest monthly increase in that measure since September 1981. Many economists blamed supply bottlenecks as the economy opened for the increased inflation, but it is unclear whether the increased inflation will be transitory or not.

The **Index of Consumer Sentiment** decreased 4.0% in April 2021, from 84.9 in March 2021 to 88.3. The April reading was 23.0% above the April 2020 reading. The improving sentiment reflected renewed confidence due to Federal aid spending and a positive impact from a growing share of the population who are vaccinated. Also, an all-time record number of consumers expected a decrease in unemployment in the year ahead.



Michigan **motor vehicle production** decreased 16.0% from March 2021 to April 2021, but was up compared to April 2020. Motor vehicle production was completely shut down in April 2020 because of the COVID-19 pandemic, so the year-over-year increase cannot be measured. Automobile production in April 2021 was down 54.2% from March 2021. That decrease was accompanied by a decrease in light truck production, which decreased 12.6% over the same period. Michigan's production as a percentage of all US production decreased to 18.5% in April 2021, down from 19.7% in March 2021.

In April 2021, **revenue from Michigan's major taxes** totaled \$2.8 billion, up 82.8% (\$1,278.9 million) from April 2020. Tax collections for the month were approximately \$411.0 million above the forecasted level. The deadline to file annual returns in 2020 was postponed from April to July, explaining the low collections in April 2020. Most major revenue sources exhibited greater-than-expected collections that more than offset below-forecasted annual income tax collections (which reflected the postponement, from April to May, of the due date for annual returns). Year-to-date through April 2021, collections were up 24.1% (\$2,618.0 million) from the same period in 2020.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Apr 2021	Mar 2021	Apr 2020	Change from Mar		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	160,988	160,558	156,478	430	0.3%	4,510	2.9%
Employment	151,176	150,848	133,370	328	0.2	17,806	13.4
Unemployment	9,812	9,710	23,108	102	1.1	(13,296)	(57.5)
Unemployment Rate	6.1%	6.0%	14.8%	--	--	--	--
Michigan	Apr 2021	Mar 2021	Apr 2020	Change from Mar		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,701	4,703	4,586	(2)	(0.0%)	115	2.5%
Employment	4,470	4,464	3,502	5	0.1	968	27.6
Unemployment	232	239	1,084	(7)	(3.1)	(853)	(78.6)
Unemployment Rate	4.9%	5.1%	23.6%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Apr 2021	Mar 2021	Apr 2020	Change from Mar		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,116	4,134	3,398	(18)	(0.4%)	718	21.1%
Goods Producing Industries	748	755	528	(7)	(1.0)	220	41.6
Mining and Logging	7	7	6	(0)	(4.2)	1	13.1
Construction	175	174	107	1	0.6	69	64.4
Manufacturing	566	574	416	(8)	(1.4)	150	36.1
Transportation Equipment	166	178	87	(12)	(6.9)	79	90.7
Service Producing Industries	3,368	3,379	2,869	(11)	(0.3)	498	17.4
Trade, Transportation & Utilities	774	779	636	(5)	(0.7)	137	21.6
Wholesale Trade	163	164	147	(1)	(0.5)	17	11.2
Retail Trade	447	449	352	(3)	(0.6)	95	26.9
Transportation & Utilities	164	166	138	(2)	(1.0)	26	19.0
Information	50	49	49	1	1.8	2	3.1
Financial Activities	227	225	216	1	0.6	11	5.1
Professional & Business Services	620	620	507	1	0.1	114	22.4
Education & Health Services	641	645	582	(4)	(0.7)	59	10.0
Leisure & Hospitality Services	342	347	194	(5)	(1.4)	148	76.6
Other Services	144	144	114	(0)	(0.1)	30	26.4
Government	571	570	573	1	0.2	(2)	(0.3)

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

MICHIGAN AVERAGE WEEKLY HOURS AND EARNINGS (Not seasonally adjusted)						
Industry	Average Weekly Hours			Average Weekly Earnings		
	Apr 2021	Year Ago	Percent Change	Apr 2021	Year Ago	Percent Change
Construction	40.3	38.3	5.2%	\$1,215.05	\$1,120.66	8.4%
Manufacturing	39.4	36.5	7.9	923.54	833.30	10.8
Durable Goods	38.9	36.3	7.2	931.66	843.61	10.4
Transportation Equipment Mfg.	39.3	39.8	(1.3)	1,096.86	1,042.76	5.2
Motor Vehicle Parts Mfg.	39.9	36.8	8.4	1,033.41	844.56	22.4
Nondurable Goods	41.0	36.8	11.4	903.23	809.60	11.6
Wholesale Trade	39.7	34.7	14.4	1,024.26	912.26	12.3
Retail Trade	29.2	25.5	14.5	494.65	425.85	16.2
Information	39.8	36.2	9.9	1,086.14	956.77	13.5
Financial Activities	36.8	35.6	3.4	958.27	967.25	(0.9)
Professional & Business Services	35.2	34.0	3.5	955.68	933.30	2.4
Health Care & Social Assistance	30.7	28.7	7.0	704.26	648.91	8.5
Leisure & Hospitality	22.2	21.0	5.7	304.81	281.40	8.3
Accommodation & Food Services	22.9	21.0	9.0	309.15	272.79	13.3

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 2021	Mar 2021	Feb 2021	Apr 2020
Metropolitan Statistical Areas				
Ann Arbor	4.0%	4.3%	4.2%	14.8%
Battle Creek	6.0	6.4	6.5	24.2
Bay City	5.8	6.4	6.6	25.1
Detroit-Warren-Dearborn	3.7	4.5	4.3	24.6
Flint	6.8	7.1	7.3	30.9
Grand Rapids-Wyoming	4.2	4.7	4.7	21.0
Jackson	5.4	5.9	6.1	23.6
Kalamazoo-Portage	4.8	5.4	5.4	17.7
Lansing-East Lansing	5.5	5.0	4.9	18.9
Midland	4.5	5.2	5.2	19.8
Monroe	6.0	5.6	5.9	26.2
Muskegon	7.0	7.5	7.6	29.5
Niles-Benton Harbor	5.2	5.9	6.0	20.0
Saginaw	6.5	6.8	7.0	26.2
Multi-County Areas				
Northeast Lower Michigan	7.5	8.4	8.6	28.0
Northwest Lower Michigan	5.6	6.5	6.8	27.9
Upper Peninsula	5.8	6.5	6.5	20.6
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	4.6	5.2	5.1	23.6
Source: Michigan Department of Technology, Management, and Budget				

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Sales and Production in Thousands of Units, Seasonally Adjusted at Annual Rates)							
	Apr 2021	Mar 2021	Feb 2021	Jan 2021	Year Ago Apr	Percent Change From:	
						Apr/Mar	Apr 2021/ Apr 2020
Motor Vehicle Sales¹⁾							
Autos	4,107	3,844	3,446	3,798	1,932	6.8%	112.6%
Domestics	2,964	2,772	2,440	2,749	1,458	6.9	103.3
Imports	1,143	1,072	1,006	1,049	474	6.6	141.1
Import Share	27.8%	27.9%	29.2%	27.6%	24.5%	----	----
Light Trucks	14,193	13,795	12,485	12,980	6,682	2.9	112.4
Domestics	10,839	10,625	9,688	10,080	5,258	2.0	106.1
Imports	3,354	3,170	2,797	2,900	1,424	5.8	135.5
Import Share	23.6%	23.0%	22.4%	22.3%	21.3%	----	----
Subtotal: Light Vehicle Sales	18,300	17,639	15,931	16,778	8,614	3.7	112.4
Heavy Trucks	482	515	460	508	347	(6.4)	38.9
Total Vehicle Sales	18,782	18,154	16,391	17,286	8,961	3.5	109.6
U.S. Motor Vehicle Production¹⁾							
Autos	1,578	1,454	1,684	2,170	20	8.5	7,635.3
Michigan Motor Vehicle Production²⁾							
Autos	69	151	188	195	0	(54.2)	----
Trucks	1,515	1,734	1,750	1,885	0	(12.6)	----
Total	1,584	1,886	1,938	2,080	0	(16.0)	----
Michigan Production as % of U.S.	18.5%	19.7%	20.6%	19.8%	0.0%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 28,939	\$ 28,362	\$ 28,671	\$ 29,048	\$ 26,871	2.0	7.7
Domestic	\$ 27,403	\$ 26,815	\$ 26,553	\$ 27,188	\$ 24,829	2.2	10.4
Foreign	\$ 32,928	\$ 32,362	\$ 33,813	\$ 33,917	\$ 33,148	1.7	(0.7)
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.							



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	88.3	84.9	71.8	4.0%	23.0%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Apr	\$61.72	\$62.33	\$16.55	(1.0)	272.9
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Apr	1,514	1,725	938	(12.2)	61.4
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Apr	\$562.3	\$559.9	\$379.9	0.4	48.0
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Apr	99.2	99.1	84.2	0.0	17.8
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Apr	74.7	74.7	63.4	0.0	17.9
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Apr	266.8	264.8	256.2	9.6	4.2
Detroit (not seasonally adjusted)	Apr	244.7	240.6	232.1	10.8	5.4
Interest Rates						
3-month Treasury Bill ⁴⁾	Apr	0.02%	0.03%	0.14%	--	--
30-year Conventional Mortgage ⁶⁾	Apr	3.06%	3.08%	3.31%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2021 1st Quarter	\$19,086.4	\$18,794.4	\$19,010.8	6.4	0.4
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Apr	\$2,822.7	\$1,527.8	\$1,543.8	NM	82.8

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.

