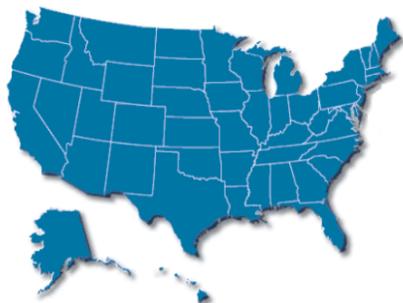


## ECONOMIC HIGHLIGHTS



Seasonally adjusted **housing starts** increased 9.3% from July 2024 to August 2024 and were up 5.7% compared to August 2023. On a regional basis, compared to August 2023, starts were down 5.5% in the Northeast, but up 28.0% in the Midwest, 4.4% in the South, and 1.4% in the West.

**Corporate profits** increased at a 15.2% annual rate during the second quarter of 2024 and were up 10.8% from the second quarter of 2023. While the second quarter of 2024 represented an all-time high in the dollar amount of corporate profits, when expressed as a share of gross domestic product (GDP), the 13.2% share for the second quarter ranked third highest (quarterly data are available through 2001), behind the fourth quarter of 2023 (13.3%) and the second quarter of 2021 (13.4%). The only major sectors to exhibit year-over-year declines in corporate profits were wholesale trade (down 0.8%) and transportation/warehousing (down 1.5%), while corporate profits were up 5.9% in the manufacturing sector, 13.5% in the retail sector, and 30.6% in the information sector.



The **Detroit Consumer Price Index (CPI)**, seasonally unadjusted, was up 3.5% year-over-year in August 2024, despite rising at a 4.9% annual rate from the previous period. The Detroit CPI is calculated every other month, and from June to August 2024, the CPI increased at an annual rate of 4.9%. While the 3.5% year-over-year increase in August 2024 was above any period's year-over-year increase from 2013 through 2020, the increase was less than the year-over-year changes for other Augusts since 2020. In those years, the year-over-year increases in the Detroit CPI were 3.9% (2021), 8.6% (2022), and 5.9% (2023).

**Michigan tax revenue** from major sources totaled \$2.8 billion in August 2024, a 5.3% increase from the level in August 2023. The year-over-year growth in revenue primarily reflected a 13.6% increase in individual income tax withholding, a 14.9% increase in collections from state education tax, and a 19.7% increase in revenue from wagering taxes.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Aug 2024	Jul 2024	Aug 2023	Change from Jul		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	168,549	168,429	167,840	120	0.1%	709	0.4%
Employment	161,434	161,266	161,550	168	0.1	(116)	(0.1)
Unemployment	7,115	7,163	6,290	(48)	(0.7)	825	13.1
Unemployment Rate	4.2%	4.3%	3.7%	--	--	--	--
Michigan	Aug 2024	Jul 2024	Aug 2023	Change from Jul		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	5,055	5,062	5,039	(7)	(0.1%)	16	0.3%
Employment	4,829	4,841	4,837	(12)	(0.2)	(8)	(0.2)
Unemployment	226	221	202	5	2.2	24	11.7
Unemployment Rate	4.5%	4.4%	4.0%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Aug 2024	Jul 2024	Aug 2023	Change from Jul		Change from Yr Ago	
				Number	Percent	Number	Percent
<b>Total Non-Agricultural Jobs</b>	4,487	4,490	4,455	(3)	(0.1%)	32	0.7%
<b>Goods Producing Industries</b>	815	816	813	(0)	(0.0)	2	0.3
Mining and Logging	7	8	7	(0)	(1.3)	0	5.7
Construction	205	204	190	1	0.3	15	7.6
Manufacturing	603	604	616	(1)	(0.2)	(13)	(2.1)
Transportation Equipment*	184	176	190	8	4.4	(6)	(3.2)
<b>Service Producing Industries</b>	3,671	3,674	3,642	(3)	(0.1)	30	0.8
Trade, Transportation & Utilities	822	821	815	0	0.0	7	0.9
Wholesale Trade	184	183	178	1	0.3	5	2.9
Retail Trade	456	456	457	(1)	(0.1)	(1)	(0.3)
Transportation & Utilities	183	182	179	0	0.2	3	1.8
Information	57	58	57	(0)	(0.5)	0	0.0
Financial Activities	229	227	231	1	0.5	(3)	(1.1)
Professional & Business Services	647	647	648	(0)	(0.0)	(1)	(0.1)
Education & Health Services	704	706	692	(2)	(0.3)	11	1.6
Leisure & Hospitality Services	423	423	426	(0)	(0.1)	(3)	(0.7)
Other Services	169	169	170	0	0.0	(1)	(0.8)
Government	622	623	603	(1)	(0.2)	19	3.2

\* Not seasonally adjusted

**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		
	Aug 2024	Year Ago	Percent Change	Aug 2024	Year Ago	Percent Change
Construction	40.8	40.9	(0.2%)	\$1,488.38	\$1,418.41	4.9%
Manufacturing	39.2	40.7	(3.7)	1,090.15	1,057.79	3.1
Durable Goods	39.8	41.4	(3.9)	1,181.26	1,112.00	6.2
Transportation Equipment Mfg.	41.4	39.3	5.3	1,282.16	1,153.06	11.2
Motor Vehicle Parts Mfg.	42.4	40.8	3.9	1,183.81	1,113.84	6.3
Nondurable Goods	37.7	38.6	(2.3)	844.86	893.98	(5.5)
Wholesale Trade	40.3	38.4	4.9	1,246.88	1,212.67	2.8
Retail Trade	29.2	29.2	0.0	551.59	548.08	0.6
Information	35.0	36.7	(4.6)	1,500.45	1,423.96	5.4
Financial Activities	36.3	36.5	(0.5)	1,124.94	1,052.30	6.9
Professional & Business Services	34.0	35.8	(5.0)	1,063.86	1,051.45	1.2
Health Care & Social Assistance	32.0	32.1	(0.3)	869.44	825.29	5.3
Leisure & Hospitality	23.4	23.0	1.7	420.03	400.43	4.9
Accommodation & Food Services	23.9	23.3	2.6	428.05	407.52	5.0

**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)				
	Aug 2024	Jul 2024	June 2024	Aug 2023
<b>Metropolitan Statistical Areas</b>				
Ann Arbor	4.2%	4.8%	4.2%	3.8%
Battle Creek	5.6	6.3	5.5	4.6
Bay City	5.3	6.0	5.4	4.9
Detroit-Warren-Dearborn	4.1	6.4	5.2	4.2
Flint	5.8	6.5	5.8	5.1
Grand Rapids-Wyoming	4.0	4.4	4.0	3.5
Jackson	4.8	5.4	4.8	4.3
Kalamazoo-Portage	4.7	5.2	4.7	4.1
Lansing-East Lansing	4.4	4.9	5.1	4.0
Midland	4.6	5.1	4.9	4.0
Monroe	5.5	6.8	5.1	4.1
Muskegon	5.5	6.0	5.3	4.5
Niles-Benton Harbor	5.3	5.6	5.3	4.3
Saginaw	5.9	6.5	5.8	5.2
<b>Multi-County Areas</b>				
Northeast Lower Michigan	5.8	6.5	6.1	5.2
Northwest Lower Michigan	4.3	4.7	4.5	3.8
Upper Peninsula	5.3	5.8	5.5	4.5
<b>Michigan Statewide Average</b> (unadjusted - comparable to figures shown above)				
	4.5	5.8	5.0	4.2
<b>Source:</b> 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)							
	Aug 2024	Jul 2024	Jun 2024	May 2024	Year Ago Aug	Percent Change From:	
						Aug/Jul	Aug 2024/ Aug 2023
<b>Motor Vehicle Sales<sup>1)</sup></b>							
Autos	2,909	2,943	2,719	2,942	3,091	(1.2%)	(5.9%)
Domestics	1,963	2,027	1,914	2,084	2,242	(3.2)	(12.4)
Imports	946	916	805	858	849	3.3	11.4
Import Share	32.5%	31.1%	29.6%	29.2%	27.5%	----	----
Light Trucks	12,249	12,878	12,273	12,882	12,283	(4.9)	(0.3)
Domestics	9,589	9,976	9,682	10,144	9,782	(3.9)	(2.0)
Imports	2,660	2,902	2,591	2,738	2,501	(8.3)	6.4
Import Share	21.7%	22.5%	21.1%	21.3%	20.4%	----	----
Subtotal: Light Vehicle Sales	15,158	15,821	14,992	15,824	15,374	(4.2)	(1.4)
Heavy Trucks	501	517	442	484	535	(3.1)	(6.4)
Total Vehicle Sales	15,659	16,338	15,434	16,308	15,909	(4.2)	(1.6)
<b>U.S. Motor Vehicle Production<sup>1)</sup></b>							
Autos	1,458	1,352	1,445	1,441	1,799	7.8	(18.9)
<b>Michigan Motor Vehicle Production<sup>2)</sup></b>							
Autos	82	26	74	126	197	214.3	(58.3)
Trucks	2,060	2,054	1,973	2,057	1,804	0.3	14.2
Total	2,142	2,080	2,047	2,184	2,001	3.0	7.1
Michigan Production as % of U.S.	19.7%	19.6%	18.7%	18.7%	18.5%	----	----
<b>Average Expenditure per Car<sup>1)</sup></b>							
Overall	\$ 34,127	\$ 33,872	\$ 33,207	\$ 32,890	\$ 33,114	0.8%	3.1%
Domestic	\$ 30,447	\$ 30,169	\$ 29,703	\$ 29,233	\$ 29,873	0.9%	1.9%
Foreign	\$ 41,509	\$ 41,972	\$ 41,424	\$ 42,476	\$ 41,673	(1.1%)	(0.4%)
<b>Inventory-to-Sales Ratio</b>	1.339	1.583	1.548	1.463	1.014	(15.4%)	32.1%
<b>Sources:</b> 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.							



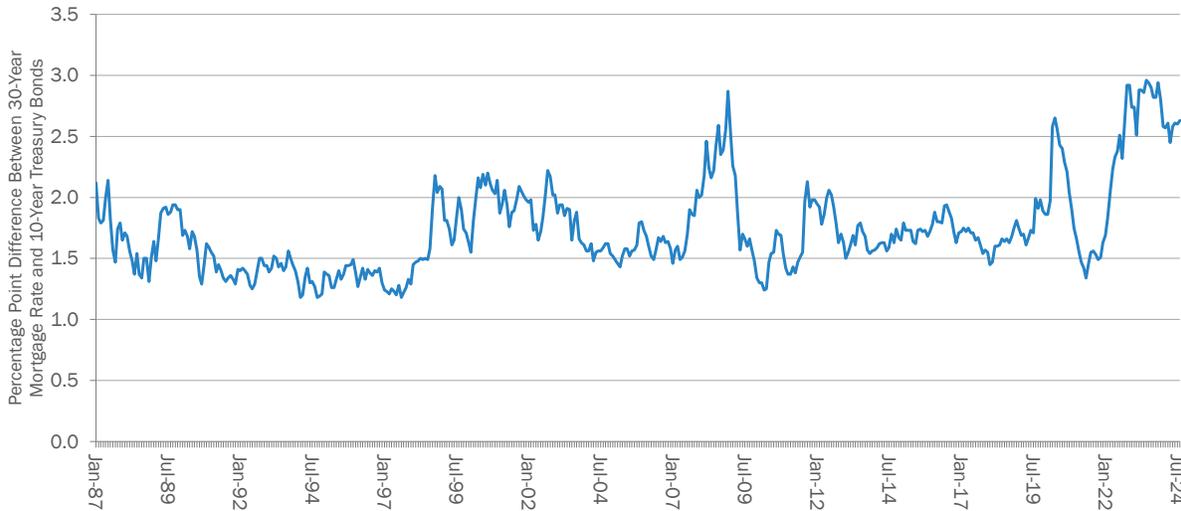
OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period <sup>9)</sup>	Year Ago
<b>Index of Consumer Sentiment</b> , monthly <sup>1)</sup> (1996 Q1=100)	Aug	67.9	66.4	69.4	2.3%	(2.2%)
<b>Oil Prices</b> <sup>2)</sup> (\$ per barrel, West Texas Intermediate Crude)	Aug	\$76.68	\$81.80	\$81.39	(6.3)	(5.8)
<b>Housing Starts, U.S.</b> <sup>3)</sup> (thousands of units, SAAR)	Aug	1,379	1,262	1,305	9.3	5.7
<b>Retail Sales, U.S.</b> <sup>3)</sup> (billions, seasonally adjusted)	Aug	\$614.5	\$616.0	\$604.2	(0.2)	1.7
<b>Industrial Production Index</b> <sup>4)</sup> (2007=100, seasonally adjusted)	Aug	103.1	102.5	103.1	0.5	(0.0)
<b>Capacity Utilization</b> <sup>4)</sup> (% of total capacity, seasonally adjusted)	Aug	77.9	77.6	78.9	0.4	(1.2)
<b>Consumer Price Index</b> <sup>5)</sup> (1982-84=100)						
U.S. (seasonally adjusted)	Aug	314.1	313.5	306.2	2.3	2.6
Detroit (not seasonally adjusted)	Aug	297.6	295.2	287.5	4.9	3.5
<b>Interest Rates</b>						
3-month Treasury Bill <sup>4)</sup>	Aug	5.30%	5.43%	5.56%	--	--
30-year Conventional Mortgage <sup>6)</sup>	Aug	6.50%	6.85%	7.07%	--	--
<b>Real Gross Domestic Product</b> <sup>7)</sup> (billions of 2017 \$, SAAR, Chain-Weighted)	2024 2nd Quarter	\$23,223.9	\$23,053.5	\$22,539.4	3.0	3.0
<b>Michigan Tax Collections</b> <sup>8)</sup> (12 major taxes, millions)	Aug	\$2,816.0	\$2,951.0	\$2,674.7	NM	5.3

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.

## Mortgages Rates Still Above Other Long-Term Rates

Despite Recent Declines in Spread, Mortgages Still Above Other Long-Term Rates



Source: Board of Governors of the Federal Reserve System, Freddie Mac.