

## ECONOMIC HIGHLIGHTS



The **United States unemployment rate** declined from 4.2% in November 2021 to 3.9% in December 2021, down from 6.7% in December 2020 and the lowest rate since February 2020. Compared to December 2020, the number of individuals in the labor force increased by 1.6 million, while the number employed increased by 6.1 million. Since December 2020, the number of unemployed individuals nationwide has decreased by 41.4%, from 10.8 million to 6.3 million.

In December 2021, **oil prices per barrel** declined for a second consecutive month, from \$79.15 per barrel in November 2021 to \$71.71 per barrel. Despite the decline, December 2021 oil prices were up 52.5% from \$47.02 per barrel in December 2020.



In December 2021, **Michigan's payroll employment** was up 6.0% from December 2020, led by a 44.9% gain (approximately 122,000 jobs) in the leisure and hospitality sector. The leisure and hospitality sector also exhibited the strongest year-over-year growth in both **average weekly hours and average weekly earnings**. While average weekly hours in December 2021 were 7.0% above the level in December 2020, average weekly earnings were up 22.3%. Other sectors with strong gains in average weekly earnings relative to average weekly hours were professional and business services, in which hours were down 2.8% while earnings were up 10.5%, and retail trade, in which hours were 1.7% higher and earnings were up 11.9%.

Seasonally adjusted **Michigan motor vehicle production** increased 18.8% from December 2020 to December 2021 despite a 22.4% decrease in light vehicle sales and a 20.7% decrease in total US production. As a result, Michigan's share of US production increased from 17.3% in December 2020 to 21.8% in December 2021. Compared to December 2020, Michigan automobile production was up 33.8% while light truck production was up 17.7%.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Dec 2021	Nov 2021	Dec 2020	Change from Nov		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	162,294	162,126	160,671	168	0.1%	1,623	1.0 %
Employment	155,975	155,324	149,883	651	0.4	6,092	4.1
Unemployment	6,319	6,802	10,788	(483)	(7.1)	(4,469)	(41.4)
Unemployment Rate	3.9%	4.2%	6.7%	--	--	--	--
Michigan	Dec 2021	Nov 2021	Dec 2020	Change from Nov		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,788	4,789	4,696	(1)	(0.0%)	92	2.0%
Employment	4,543	4,541	4,370	2	0.0	173	4.0
Unemployment	245	248	326	(3)	(1.0)	(81)	(24.8)
Unemployment Rate	5.1%	5.2%	7.0%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Dec 2021	Nov 2021	Dec 2020	Change from Nov		Change from Yr Ago	
				Number	Percent	Number	Percent
<b>Total Non-Agricultural Jobs</b>	4,289	4,274	4,048	15	0.3%	241	6.0%
<b>Goods Producing Industries</b>	784	782	763	2	0.2	21	2.8
Mining and Logging	7	7	7	0	2.8	1	7.4
Construction	180	179	175	0	0.1	5	2.9
Manufacturing	597	596	581	1	0.2	16	2.7
Transportation Equipment	189	188	182	1	0.5	7	3.9
<b>Service Producing Industries</b>	3,505	3,492	3,286	13	0.4	220	6.7
Trade, Transportation & Utilities	788	784	766	4	0.5	22	2.8
Wholesale Trade	165	164	164	0	0.2	1	0.3
Retail Trade	452	449	442	3	0.7	10	2.2
Transportation & Utilities	171	171	160	0	0.1	11	7.1
Information	53	53	49	0	0.6	4	8.4
Financial Activities	233	233	229	(1)	(0.2)	4	1.7
Professional & Business Services	653	643	616	10	1.5	37	6.0
Education & Health Services	648	648	647	(0)	(0.0)	1	0.1
Leisure & Hospitality Services	393	394	272	(1)	(0.3)	122	44.9
Other Services	159	158	145	1	0.5	13	9.1
Government	579	579	562	0	0.1	18	3.1

**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		
	Dec 2021	Year Ago	Percent Change	Dec 2021	Year Ago	Percent Change
Construction	39.3	40.4	(2.7%)	\$1,245.42	\$1,236.64	0.7 %
Manufacturing	42.1	41.1	2.4	1,013.77	952.70	6.4
Durable Goods	42.5	41.0	3.7	1,049.33	970.47	8.1
Transportation Equipment Mfg.	47.8	45.9	4.1	1,435.43	1,310.90	9.5
Motor Vehicle Parts Mfg.	44.4	42.1	5.5	1,236.54	1,100.07	12.4
Nondurable Goods	41.1	41.4	(0.7)	914.89	899.62	1.7
Wholesale Trade	39.8	38.3	3.9	1,055.89	970.14	8.8
Retail Trade	29.4	28.9	1.7	513.32	458.93	11.9
Information	36.5	39.1	(6.6)	999.01	1,071.73	(6.8)
Financial Activities	37.3	36.4	2.5	996.28	933.66	6.7
Professional & Business Services	34.4	35.4	(2.8)	1,038.19	946.24	9.7
Health Care & Social Assistance	31.4	30.9	1.6	787.20	712.25	10.5
Leisure & Hospitality	23.0	21.5	7.0	357.88	292.62	22.3
Accommodation & Food Services	23.4	21.9	6.8	358.49	290.18	23.5

**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)				
	Dec 2021	Nov 2021	Oct 2021	Dec 2020
<b>Metropolitan Statistical Areas</b>				
Ann Arbor	3.2%	3.4%	3.9%	5.0%
Battle Creek	5.3	5.5	6.0	7.7
Bay City	5.3	5.0	5.3	7.4
Detroit-Warren-Dearborn	4.3	3.8	4.5	10.3
Flint	6.1	6.4	7.1	8.3
Grand Rapids-Wyoming	3.5	3.6	4.0	5.7
Jackson	4.6	4.7	5.1	7.0
Kalamazoo-Portage	4.1	4.1	4.6	6.3
Lansing-East Lansing	3.8	3.9	4.5	5.9
Midland	3.9	3.9	4.2	5.9
Monroe	4.3	4.6	5.3	6.2
Muskegon	6.1	6.5	7.0	8.9
Niles-Benton Harbor	4.6	4.7	4.9	7.2
Saginaw	5.7	5.9	6.5	7.9
<b>Multi-County Areas</b>				
Northeast Lower Michigan	7.2	6.3	5.8	9.3
Northwest Lower Michigan	5.2	4.6	4.6	8.0
Upper Peninsula	5.4	4.9	4.6	7.3
<b>Michigan Statewide Average</b> (unadjusted - comparable to figures shown above)				
	4.4	4.2	4.7	8.3
<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)							
	Dec 2021	Nov 2021	Oct 2021	Sep 2021	Year Ago Dec	Percent Change From:	
						Dec/Nov	Dec 2021/ Dec 2020
<b>Motor Vehicle Sales<sup>1)</sup></b>							
Autos	2,687	2,705	2,609	2,745	3,645	(0.7%)	(26.3%)
Domestics	2,009	2,073	1,931	1,861	2,723	(3.1)	(26.2)
Imports	678	632	678	884	922	7.3	(26.5)
Import Share	25.2%	23.4%	26.0%	32.2%	25.3%	----	----
Light Trucks	9,854	10,330	10,439	9,543	12,664	(4.6)	(22.2)
Domestics	7,975	8,477	8,310	7,310	9,885	(5.9)	(19.3)
Imports	1,879	1,853	2,129	2,233	2,779	1.4	(32.4)
Import Share	19.1%	17.9%	20.4%	23.4%	21.9%	----	----
Subtotal: Light Vehicle Sales	12,541	13,035	13,048	12,288	16,309	(3.8)	(23.1)
Heavy Trucks	464	439	438	405	452	5.7	2.7
Total Vehicle Sales	13,005	13,474	13,486	12,693	16,761	(3.5)	(22.4)
<b>U.S. Motor Vehicle Production<sup>1)</sup></b>							
Autos	1,706	1,571	1,538	1,010	2,152	8.6	(20.7)
<b>Michigan Motor Vehicle Production<sup>2)</sup></b>							
Autos	182	189	117	89	136	(3.5)	33.8
Trucks	2,037	2,141	1,865	1,636	1,731	(4.8)	17.7
Total	2,219	2,329	1,982	1,725	1,867	(4.7)	18.8
Michigan Production as % of U.S.	21.8%	22.6%	22.5%	21.0%	17.3%	----	----
<b>Average Expenditure per Car<sup>1)</sup></b>							
Overall	\$34,927	\$34,437	\$34,261	\$34,307	\$28,398	1.4	23.0
Domestic	\$32,638	\$32,589	\$33,315	\$32,117	\$26,561	0.2	22.9
Foreign	\$41,710	\$40,503	\$36,956	\$39,355	\$33,825	3.0	23.3
<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
Index of Consumer Sentiment, monthly <sup>1)</sup> (1996 Q1=100)	Dec	70.6	67.4	80.7	4.7	(12.5)
Oil Prices <sup>2)</sup> (\$ per barrel, West Texas Intermediate Crude)	Dec	\$71.71	\$79.15	\$47.02	(9.4)	52.5
Housing Starts, U.S. <sup>3)</sup> (thousands of units, SAAR)	Dec	1,754	1,703	1,661	3.0	5.6
Retail Sales, U.S. <sup>3)</sup> (billions, seasonally adjusted)	Dec	\$552.6	\$569.6	\$485.5	(3.0)	13.8
Industrial Production Index <sup>4)</sup> (2007=100, seasonally adjusted)	Dec	101.6	102.0	98.3	(0.4)	3.4
Capacity Utilization <sup>4)</sup> (% of total capacity, seasonally adjusted)	Dec	76.3	76.6	74.1	(0.5)	2.9
Consumer Price Index <sup>5)</sup> (1982-84=100)						
U.S. (seasonally adjusted)	Dec	280.1	278.5	261.6	7.1	7.1
Detroit (not seasonally adjusted)	Dec	255.8	253.1	239.1	6.7	7.0
Interest Rates						
3-month Treasury Bill <sup>4)</sup>	Dec	0.06%	0.05%	0.09%	--	--
30-year Conventional Mortgage <sup>6)</sup>	Dec	3.10%	3.07%	2.68%	--	--
Real Gross Domestic Product <sup>7)</sup> (billions of 2009 \$, SAAR, Chain-Weighted)	2021 4th Quarter	\$19,810.6	\$19,478.9	\$18,767.8	7.0	5.6
Michigan Tax Collections <sup>8)</sup> (12 major taxes, millions)	Dec	\$3,129.3	\$2,518.2	\$2,297.6	NM	36.2

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.

