

ECONOMIC HIGHLIGHTS



Inflation, as measured by the seasonally adjusted **United States Consumer Price Index (CPI)**, increased at an annualized 4.5% rate between November 2024 and December 2024, and was 2.9% above the level in December 2023. The 4.5% monthly increase in December 2024 primarily reflected higher energy and food prices, although price increases were spread across most sectors. Personal services and communication were among the few major sectors in which the index decreased over the month.

In December 2024, seasonally adjusted **light vehicle sales** rose 1.3% from the sales level in November 2024 and were up 6.0% compared to December 2023. The 16.9-million-unit annual rate in December 2024 represented the strongest sales rate since May 2021. A 15.5% year-over-year decline in domestic automobiles sales was more than offset by higher sales in other market segments, with sales of imported automobiles increasing 26.5%, sales of domestic light trucks rising 8.0%, and sales of imported light trucks growing 10.1%.



In Michigan, the **unemployment rate** increased to 5.0% in December 2024, up from 4.8% in November 2024 and 4.1% in December 2023. The December 2024 unemployment rate represented the highest unemployment rate in Michigan since October 2021, and when compared to pre-pandemic rates, was the highest since December 2016. Compared to December 2023, December 2024 employment was down by 38,000 jobs.

The **Detroit CPI**, seasonally unadjusted, declined at a 2.7% annual rate between October 2024 and December 2024. The Detroit CPI is calculated every other month, and the US CPI on a comparable basis (seasonally unadjusted, from October to December) decreased at an annual rate of 0.1%. On a year-over-year basis, the Detroit CPI increased 2.8% between December 2023 and December 2024.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Dec 2024	Nov 2024	Dec 2023	Change from Nov		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	168,547	168,304	167,439	243	0.1%	1,108	0.7%
Employment	161,661	161,183	161,124	478	0.3	537	0.3
Unemployment	6,886	7,121	6,315	(235)	(3.3)	571	9.0
Unemployment Rate	4.1%	4.2%	3.8%	--	--	--	--
Michigan	Dec 2024	Nov 2024	Dec 2023	Change from Nov		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	5,050	5,053	5,043	(3)	(0.1%)	7	0.1%
Employment	4,799	4,810	4,836	(11)	(0.2)	(38)	(0.8)
Unemployment	252	244	207	8	3.2	45	21.6
Unemployment Rate	5.0%	4.8%	4.1%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Dec 2024	Nov 2024	Dec 2023	Change from Nov		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,509	4,503	4,466	6	0.1%	43	1.0%
Goods Producing Industries	812	816	809	(4)	(0.4)	3	0.3
Mining and Logging	8	8	7	0	0.0	0	2.7
Construction	203	204	190	(1)	(0.5)	14	7.2
Manufacturing	601	604	612	(2)	(0.4)	(11)	(1.8)
Transportation Equipment*	185	183	188	2	0.9	(4)	(2.0)
Service Producing Industries	3,697	3,687	3,657	10	0.3	40	1.1
Trade, Transportation & Utilities	820	819	819	1	0.1	1	0.1
Wholesale Trade	184	184	181	0	0.0	3	1.7
Retail Trade	453	452	459	1	0.2	(6)	(1.2)
Transportation & Utilities	183	183	179	(0)	(0.2)	4	2.0
Information	57	57	58	0	0.7	(1)	(0.9)
Financial Activities	234	232	231	2	0.6	3	1.2
Professional & Business Services	645	644	648	1	0.1	(3)	(0.5)
Education & Health Services	707	706	695	2	0.2	12	1.7
Leisure & Hospitality Services	432	428	426	3	0.8	6	1.5
Other Services	174	174	170	(0)	(0.1)	4	2.2
Government	628	626	610	2	0.3	18	3.0

* 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		
	Dec 2024	Year Ago	Percent Change	Dec 2024	Year Ago	Percent Change
Construction	40.1	41.4	(3.1%)	\$1,486.51	\$1,532.63	(3.0%)
Manufacturing	40.1	40.1	0.0	1,180.54	1,080.29	9.3
Durable Goods	40.5	41.1	(1.5)	1,289.12	1,161.90	10.9
Transportation Equipment Mfg.	41.6	40.1	3.7	1,340.77	1,218.24	10.1
Motor Vehicle Parts Mfg.	42.5	40.9	3.9	1,228.25	1,141.93	7.6
Nondurable Goods	39.0	37.1	5.1	877.11	838.09	4.7
Wholesale Trade	39.9	38.6	3.4	1,268.42	1,224.78	3.6
Retail Trade	29.4	29.1	1.0	558.60	548.24	1.9
Information	35.1	34.9	0.6	1,587.22	1,427.76	11.2
Financial Activities	36.2	36.5	(0.8)	1,087.81	1,074.93	1.2
Professional & Business Services	34.0	34.0	0.0	1,104.32	1,049.58	5.2
Health Care & Social Assistance	31.9	31.8	0.3	897.99	847.47	6.0
Leisure & Hospitality	22.2	22.5	(1.3)	406.04	414.00	(1.9)
Accommodation & Food Services	22.6	22.7	(0.4)	409.51	417.00	(1.8)

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 2024	Nov 2024	Oct 2024	Dec 2023
Metropolitan Statistical Areas				
Ann Arbor	4.0%	3.7%	3.7%	2.7%
Battle Creek	5.8	5.0	4.9	4.0
Bay City	5.8	4.9	4.9	4.5
Detroit-Warren-Dearborn	4.7	5.1	5.0	3.3
Flint	6.1	5.4	5.4	4.4
Grand Rapids-Wyoming	4.1	3.7	3.6	2.8
Jackson	5.1	4.4	4.4	3.6
Kalamazoo-Portage	5.0	4.3	4.2	3.5
Lansing-East Lansing	4.4	4.0	3.9	3.1
Midland	5.0	4.3	4.2	3.5
Monroe	5.2	5.3	5.5	3.7
Muskegon	6.1	5.2	5.1	4.0
Niles-Benton Harbor	5.6	4.9	4.8	3.8
Saginaw	6.3	5.6	5.4	4.7
Multi-County Areas				
Northeast Lower Michigan	8.8	6.5	5.7	6.6
Northwest Lower Michigan	5.8	4.6	4.2	4.3
Upper Peninsula	7.0	5.3	4.5	5.0
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	5.0	4.8	4.6	3.5
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)							
	Dec 2024	Nov 2024	Oct 2024	Sept 2024	Year Ago Dec	Percent Change From:	
						Dec/Nov	Dec 2024/ Dec 2023
Motor Vehicle Sales¹⁾							
Autos	3,040	3,075	3,097	3,061	3,161	(1.1%)	(3.8%)
Domestics	1,928	1,983	2,055	2,104	2,282	(2.8)	(15.5)
Imports	1,112	1,092	1,042	957	879	1.8	26.5
Import Share	36.6%	35.5%	33.6%	31.3%	27.8%	----	----
Light Trucks	13,829	13,585	13,023	12,738	12,758	1.8	8.4
Domestics	10,909	10,805	10,299	10,100	10,105	1.0	8.0
Imports	2,920	2,780	2,724	2,638	2,653	5.0	10.1
Import Share	21.1%	20.5%	20.9%	20.7%	20.8%	----	----
Subtotal: Light Vehicle Sales	16,869	16,660	16,120	15,799	15,919	1.3	6.0
Heavy Trucks	454	491	462	476	466	(7.5)	(2.6)
Total Vehicle Sales	17,323	17,151	16,582	16,275	16,385	1.0	5.7
U.S. Motor Vehicle Production¹⁾							
Autos	1,226	1,418	1,474	1,405	1,732	(13.5)	(29.2)
Michigan Motor Vehicle Production²⁾							
Autos	90	64	84	97	149	39.6	(40.0)
Trucks	1,976	1,920	2,169	2,097	1,435	2.9	37.7
Total	2,066	1,984	2,253	2,194	1,584	4.1	30.4
Michigan Production as % of U.S.	21.0%	19.4%	19.5%	20.2%	16.3%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 34,320	\$ 32,633	\$ 33,002	\$ 33,432	\$ 32,559	5.2	5.4
Domestic	\$ 30,937	\$ 30,166	\$ 30,430	\$ 30,875	\$ 29,790	2.6	3.9
Foreign	\$ 40,245	\$ 37,023	\$ 38,102	\$ 39,031	\$ 39,746	8.7	1.3
Inventory-to-Sales Ratio	1.288	1.377	1.351	1.235	1.189	(6.5)	8.3
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.							



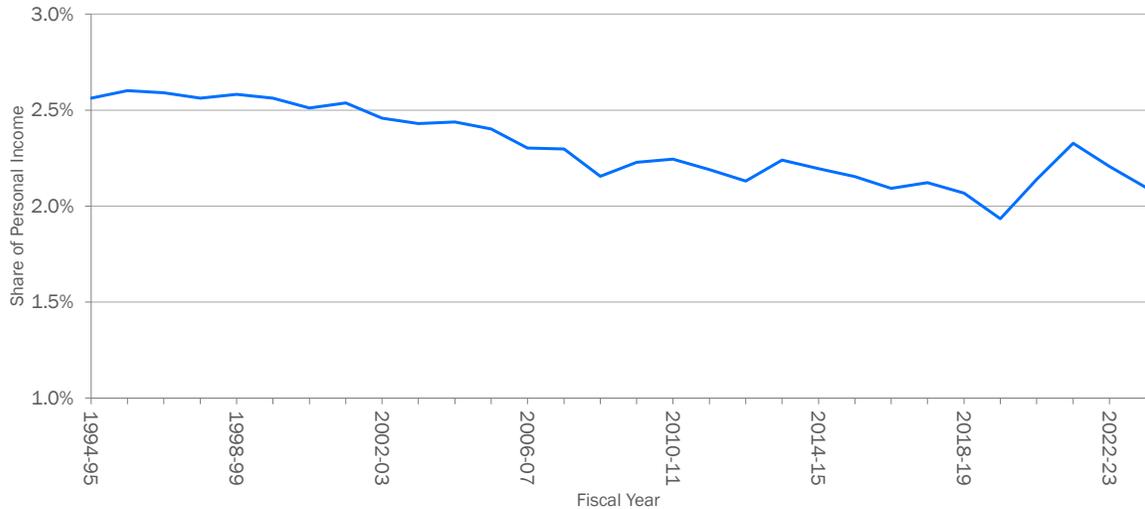
OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period ⁹⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Dec	74.0	71.8	69.7	3.1%	6.2%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Dec	\$70.12	\$69.95	\$71.90	0.2	(2.5)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Dec	1,515	1,305	1,568	16.1	(3.4)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Dec	\$632.6	\$627.4	\$605.2	0.8	4.5
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Dec	103.0	102.0	102.6	1.0	0.3
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Dec	77.5	76.8	78.1	0.9	(0.9)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Dec	317.6	316.4	308.7	4.5	2.9
Detroit (not seasonally adjusted)	Dec	291.8	293.1	283.8	(2.7)	2.8
Interest Rates						
3-month Treasury Bill ⁴⁾	Dec	4.39%	4.62%	5.44%	--	--
30-year Conventional Mortgage ⁶⁾	Dec	6.72%	6.81%	6.82%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2017 \$, SAAR, Chain-Weighted)	2024 4th Quarter	\$23,530.9	\$23,400.3	\$22,960.6	2.3	2.5
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Dec	\$3,127.6	\$2,918.8	\$3,033.3	NM	3.1

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.

Sales and Use Taxes, Share of Personal Income

Trend Decline as Consumers Spend Less of Their Income on Taxable Items



Source: Bureau of Economic Analysis, U.S. Department of Commerce; Annual Comprehensive Financial Report, Michigan Department of Technology, Mgmt. and Budget.