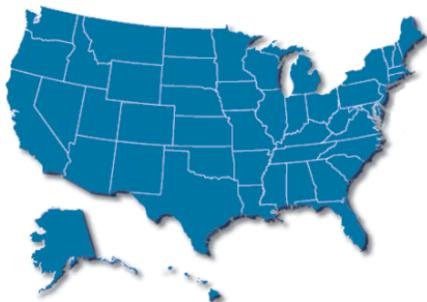


Michigan Economic Indicators

JANUARY 2018



ECONOMIC HIGHLIGHTS



The **U.S. Consumer Price Index (CPI)** for January 2018 increased at an annual rate of 6.7% from the December 2017 level and was 2.1% above the level in January 2017. The monthly increase was broad, reflecting increases in indexes for gasoline, shelter, medical care, and food; and reflected the most rapid increase in prices since February 2013, when energy prices increased 5.4% in a single month (annual rate of 65.9%), and causing the overall index to rise at a 6.7% annual rate. "Core" prices, excluding food and energy, were up at an annual rate of 5.2% between December 2017 and January 2018, and 1.8% above the level in January 2017.

Light vehicle sales fell to a 17.1 million unit annual rate in January 2018, a 3.9% decline from the level in December 2017 and down 1.6% from January 2017. Compared to January 2017, sales of automobiles in January 2018 were 13.0% lower, and sales of light trucks were up 5.0%.



Michigan **motor vehicle production** declined 11.9% between December 2017 and January 2018, and was down 23.5% from January 2017. Compared to January 2017, auto production in January 2018 was down 38.2%, while truck production decreased 16.2%. In January 2018, Michigan's share of total U.S. vehicle production was 15.6%, compared to 19.4% in January 2017.

Michigan's seasonally adjusted **unemployment rate** remained at 4.7% in January 2018. Compared to December 2017, Michigan labor markets were virtually unchanged: the labor force shrank by 3,000 people, while employment fell by 4,000 jobs and the number of unemployed people rose by 1,000. Compared to January 2017, the labor force in January 2018 was up 0.5%, while employment was 0.8% higher and the number of unemployed was down 4.5%.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Jan 2018	Dec 2017	Jan 2017	Change from December		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	161,115	160,597	159,718	518	0.3%	1,397	0.9%
Employment	154,430	154,021	152,076	409	0.3	2,354	1.5
Unemployment	6,684	6,576	7,642	108	1.6	(958)	(12.5)
Unemployment Rate	4.1%	4.1%	4.8%	--	--	--	--
Michigan	Jan 2018	Dec 2017	Jan 2017	Change from December		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,897	4,900	4,872	(3)	(0.1%)	25	0.5%
Employment	4,665	4,669	4,629	(4)	(0.1)	36	0.8
Unemployment	232	231	243	1	0.3	(11)	(4.5)
Unemployment Rate	4.7%	4.7%	5.0%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Jan 2018	Dec 2017	Jan 2017	Change from Dec		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,398	4,395	4,355	3	0.1%	43	1.0%
Goods Producing Industries	792	793	780	(1)	(0.1)	12	1.5
Mining and Logging	7	7	7	0	1.4	0	4.3
Construction	169	168	159	1	0.8	10	6.5
Manufacturing	615	618	614	(2)	(0.4)	1	0.2
Transportation Equipment	184	186	189	(2)	(1.2)	(5)	(2.7)
Service Producing Industries	3,606	3,602	3,575	4	0.1	31	0.9
Trade, Transportation & Utilities	790	788	788	2	0.2	2	0.3
Wholesale Trade	174	173	172	0	0.1	2	1.0
Retail Trade	472	472	475	0	0.0	(3)	(0.7)
Transportation & Utilities	145	143	141	2	1.2	4	2.7
Information	56	56	57	(0)	(0.5)	(1)	(1.9)
Financial Activities	219	219	217	0	0.1	2	0.9
Professional & Business Services	652	650	646	2	0.3	5	0.8
Education & Health Services	674	672	669	2	0.3	4	0.7
Leisure & Hospitality Services	438	438	430	1	0.1	8	1.9
Other Services	172	170	167	2	1.1	5	2.7
Government	606	610	600	(4)	(0.6)	6	1.0

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		
	Jan 2018	Year Ago	Percent Change	Jan 2018	Year Ago	Percent Change
Construction	38.5	38.5	0.0%	\$979.83	\$987.14	(0.7%)
Manufacturing	42.9	42.7	0.5	891.89	885.60	0.7
Durable Goods	43.8	43.2	1.4	943.45	932.26	1.2
Transportation Equipment Mfg.	46.6	44.3	5.2	1,110.94	1,036.18	7.2
Motor Vehicle Parts Mfg.	46.8	44.6	4.9	1,010.41	962.47	5.0
Nondurable Goods	40.1	41.1	(2.4)	734.23	741.86	(1.0)
Wholesale Trade	39.3	39.7	(1.0)	1,055.60	925.41	14.1
Retail Trade	29.6	29.4	0.7	430.38	421.60	2.1
Information	34.7	35.1	(1.1)	927.53	839.94	10.4
Financial Activities	35.5	36.2	(1.9)	810.82	830.79	(2.4)
Professional & Business Services	33.7	35.2	(4.3)	801.72	827.55	(3.1)
Health Care & Social Assistance	32.4	32.0	1.2	690.77	642.88	7.4
Leisure & Hospitality	22.4	21.6	3.7	271.71	249.70	8.8
Accommodation & Food Services	22.4	21.5	4.2	266.11	238.87	11.4

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)				
	Jan 2018	Dec 2017	Nov 2017	Jan 2017
Metropolitan Statistical Areas				
Ann Arbor	3.6%	3.1%	3.3%	3.7%
Battle Creek	5.4	4.9	4.5	5.5
Bay City	6.8	5.5	4.6	6.8
Detroit-Warren-Dearborn	4.9	4.1	3.9	5.7
Flint	6.6	5.7	5.1	6.6
Grand Rapids-Wyoming	4.0	3.5	3.3	4.0
Jackson	5.4	4.4	4.2	5.6
Kalamazoo-Portage	5.0	4.5	4.1	5.2
Lansing-East Lansing	5.0	3.9	3.7	4.6
Midland	5.7	4.6	4.2	5.8
Monroe	5.3	4.1	4.0	4.9
Muskegon	5.9	5.3	5.0	6.2
Niles-Benton Harbor	5.8	5.1	4.6	6.1
Saginaw	6.6	5.3	4.9	6.4
Multi-County Areas				
Northeast Lower Michigan	10.6	9.2	6.9	10.8
Northwest Lower Michigan	7.1	6.0	4.8	7.5
Upper Peninsula	7.7	7.0	5.5	8.3
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	5.3	4.4	4.1	5.7
Source: Michigan Department of Technology, Management, and Budget				

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Jan 2018	Dec 2017	Nov 2017	Oct 2017	Year Ago Jan	Percent Change From:	
						Jan/Dec	Jan 2018/ Jan 2017
Motor Vehicle Sales¹⁾							
Autos	5,504	5,824	6,062	6,289	6,326	(5.5%)	(13.0%)
Domestics	4,166	4,350	4,575	4,773	4,694	(4.2)	(11.2)
Imports	1,338	1,474	1,487	1,516	1,632	(9.2)	(18.0)
Import Share	24.3%	25.3%	24.5%	24.1%	25.8%	----	----
Light Trucks	11,562	11,931	11,355	11,718	11,011	(3.1)	5.0
Domestics	8,906	9,293	8,816	9,192	8,660	(4.2)	2.8
Imports	2,656	2,638	2,539	2,526	2,351	0.7	13.0
Import Share	23.0%	22.1%	22.4%	21.6%	21.4%	----	----
Subtotal: Light Vehicle Sales	17,066	17,755	17,417	18,007	17,337	(3.9)	(1.6)
Heavy Trucks	438	475	451	435	367	(7.8)	19.3
Total Vehicle Sales	17,504	18,230	17,868	18,442	17,704	(4.0)	(1.1)
U.S. Motor Vehicle Production¹⁾							
Autos	2,802	2,773	2,749	2,723	3,460	1.0	(19.0)
Michigan Motor Vehicle Production²⁾							
Autos	492	517	656	630	796	(4.8)	(38.2)
Trucks	1,331	1,553	1,584	1,570	1,588	(14.3)	(16.2)
Total	1,823	2,070	2,240	2,200	2,384	(11.9)	(23.5)
Michigan Production as % of U.S.	15.6%	18.2%	18.7%	18.3%	19.4%	----	----
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,287	1,287	1,351	1,339	1,579	0.0	(18.5)
Days Supply	72	67	72	72	92	7.5	(21.7)
Total Truck	2,503	2,503	2,621	2,535	2,447	0.0	2.3
Days Supply	70	59	70	71	80	18.6	(12.5)
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 ⁹⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Jan	95.7	95.9	98.5	(0.2%)	(2.8%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Jan	\$63.70	\$57.88	\$52.50	10.1	21.3
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Jan	1,329	1,207	1,236	10.1	7.5
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Jan	\$434.7	\$435.3	\$417.6	(0.1)	4.1
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Jan	105.5	105.7	102.5	(0.2)	2.9
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Jan	77.0	77.3	75.4	(0.3)	2.1
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Jan	249.2	247.9	244.0	6.7	2.1
Detroit (not seasonally adjusted)	Dec	229.0	228.8	223.0	0.5	2.7
Interest Rates						
3-month Treasury Bill ⁴⁾	Jan	1.43%	1.34%	0.52%	--	--
30-year Conventional Mortgage ⁶⁾	Jan	4.03%	3.95%	4.15%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2017 4th Quarter	\$17,271.7	\$17,163.9	\$16,851.4	2.5	2.5
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Jan	\$2,666.6	\$1,963.6	\$2,417.9	NM	10.3

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. 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.

