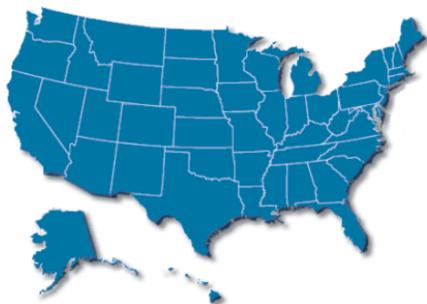


Michigan Economic Indicators

JANUARY 2021



ECONOMIC HIGHLIGHTS



The **US unemployment rate** fell to 6.3% in January 2021 from 6.7% in December 2020 but was higher than the 3.5% rate in January 2020. While employment grew by 201,000 jobs between December 2020 and January 2021, the job gains accounted only for about one-third of the improvement in the unemployment rate. Most of the reduction in the unemployment rate between December 2020 and January 2021 reflected 406,000 individuals leaving the labor force.

Seasonally adjusted **light vehicle sales** recovered to pre-pandemic levels in January 2021, rising 3.3% from the December 2020 level to match the 16.8 million unit rate exhibited in February 2020. Compared to January 2020, light vehicle sales were down 0.6%, reflecting a 13.7% decline in automobile sales that was almost totally offset by a 3.9% increase in light truck sales.



In 2020, **Michigan personal income per person** grew 7.6% from the 2019 level, faster than any State other than Rhode Island. Among Great Lakes states, Illinois exhibited the next strongest growth in personal income per person, with income growing 7.1% and ranking eighth among the 50 states. Personal income per person grew 6.2% in Ohio (ranking 20th), 5.4% in Indiana (ranking 31st) and 4.3% in Wisconsin (ranking 42nd). Michigan's growth in personal income per person reflected a 41.6% increase in transfer payments more than offsetting a 2.8% decline in wages and salary income and a 0.7% decline in dividends, interest and rent income. In contrast to the decline in wage and salary income, proprietor income increased 5.6%.

The **Michigan unemployment rate** declined from 8.2% in December 2020 to 5.7% in January 2021. The 11,000 gain in employment contributed little to the decline when compared to the 119,000 decline in the number of individuals in the labor force. Compared to January 2020, employment was down 287,000 jobs, while unemployment was up by 87,000 individuals. The remaining decline in employment reflected 200,000 individuals leaving the labor force.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Jan 2021	Dec 2020	Jan 2020	Change from Dec		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	160,161	160,567	164,455	(406)	(0.3%)	(4,294)	(2.6%)
Employment	150,031	149,830	158,659	201	0.1	(8,628)	(5.4)
Unemployment	10,130	10,737	5,796	(607)	(5.7)	4,334	74.8
Unemployment Rate	6.3%	6.7%	3.5%	--	--	--	--
Michigan	Jan 2021	Dec 2020	Jan 2020	Change from Dec		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,737	4,855	4,937	(119)	(2.4%)	(200)	(4.1%)
Employment	4,466	4,455	4,753	11	0.2	(287)	(6.0)
Unemployment	271	400	184	(130)	(32.4)	87	47.5
Unemployment Rate	5.7%	8.2%	3.7%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Jan 2021	Dec 2020	Jan 2020	Change from Dec		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,057	4,028	4,449	29	0.7%	(392)	(8.8%)
Goods Producing Industries	756	754	804	2	0.2	(49)	(6.1)
Mining and Logging	7	7	7	0	2.9	0	1.4
Construction	175	175	177	(0)	(0.1)	(2)	(1.0)
Manufacturing	574	572	621	2	0.3	(47)	(7.6)
Transportation Equipment	177	179	189	(2)	(1.0)	(12)	(6.1)
Service Producing Industries	3,302	3,274	3,645	28	0.8	(343)	(9.4)
Trade, Transportation & Utilities	775	770	797	5	0.6	(23)	(2.8)
Wholesale Trade	162	161	172	1	0.5	(10)	(5.5)
Retail Trade	446	443	464	3	0.8	(18)	(3.8)
Transportation & Utilities	166	166	162	1	0.3	4	2.7
Information	49	49	55	0	0.2	(7)	(11.8)
Financial Activities	224	225	228	(0)	(0.2)	(4)	(1.8)
Professional & Business Services	613	609	653	3	0.5	(40)	(6.2)
Education & Health Services	643	638	692	5	0.7	(49)	(7.0)
Leisure & Hospitality Services	286	277	434	9	3.4	(149)	(34.2)
Other Services	143	144	167	(1)	(1.0)	(24)	(14.5)
Government	570	562	618	8	1.3	(49)	(7.8)

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		
	Jan 2021	Year Ago	Percent Change	Jan 2021	Year Ago	Percent Change
Construction	38.9	39.4	(1.3%)	\$1,181.00	\$1,124.87	5.0%
Manufacturing	41.2	42.5	(3.1)	944.30	945.63	(0.1)
Durable Goods	41.0	43.5	(5.7)	952.43	993.11	(4.1)
Transportation Equipment Mfg.	44.2	46.4	(4.7)	1,236.72	1,207.79	2.4
Motor Vehicle Parts Mfg.	40.3	44.1	(8.6)	1,038.93	1,020.47	1.8
Nondurable Goods	41.8	39.3	6.4	918.76	795.43	15.5
Wholesale Trade	39.0	36.7	6.3	1,026.87	991.27	3.6
Retail Trade	28.3	27.9	1.4	458.74	448.35	2.3
Information	39.7	35.5	11.8	1,059.20	949.63	11.5
Financial Activities	36.2	35.9	0.8	937.94	963.92	(2.7)
Professional & Business Services	35.2	34.2	2.9	934.21	890.23	4.9
Health Care & Social Assistance	31.0	30.3	2.3	706.18	686.60	2.9
Leisure & Hospitality	22.1	22.2	(0.5)	289.07	291.71	(0.9)
Accommodation & Food Services	22.3	22.5	(0.9)	285.89	288.45	(0.9)

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 2021	Dec 2020	Nov 2020	Jan 2020
Metropolitan Statistical Areas				
Ann Arbor	4.8%	5.0%	4.7%	2.3%
Battle Creek	7.7	7.7	7.0	3.9
Bay City	7.8	7.4	6.3	5.1
Detroit-Warren-Dearborn	5.3	10.3	9.5	4.6
Flint	8.5	8.3	7.5	4.7
Grand Rapids-Wyoming	5.5	5.7	5.1	2.7
Jackson	7.0	7.0	6.2	3.6
Kalamazoo-Portage	6.3	6.3	5.6	3.4
Lansing-East Lansing	5.7	5.9	5.3	3.0
Midland	6.0	5.9	5.1	4.0
Monroe	6.6	6.2	5.6	3.7
Muskegon	8.9	8.9	8.4	4.2
Niles-Benton Harbor	7.2	7.2	6.3	4.2
Saginaw	8.1	7.9	7.1	4.7
Multi-County Areas				
Northeast Lower Michigan	10.2	9.3	7.2	8.5
Northwest Lower Michigan	8.2	8.0	5.8	5.3
Upper Peninsula	7.6	7.3	5.9	5.9
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	6.1	8.3	7.4	4.2
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)							
	Jan 2021	Dec 2020	Nov 2020	Oct 2020	Year Ago Jan	Percent Change From:	
						Jan/Dec	Jan 2021/ Jan 2020
Motor Vehicle Sales¹⁾							
Autos	3,769	3,633	3,778	3,859	4,365	3.7%	(13.7%)
Domestics	2,701	2,716	2,917	2,963	3,294	(0.6)	(18.0)
Imports	1,068	917	861	896	1,071	16.5	(0.3)
Import Share	28.3%	25.2%	22.8%	23.2%	24.5%	----	----
Light Trucks	12,996	12,596	11,937	12,513	12,509	3.2	3.9
Domestics	10,111	9,876	9,224	9,866	9,856	2.4	2.6
Imports	2,885	2,720	2,713	2,647	2,653	6.1	8.7
Import Share	22.2%	21.6%	22.7%	21.2%	21.2%	----	----
Subtotal: Light Vehicle Sales	16,765	16,229	15,715	16,372	16,874	3.3	(0.6)
Heavy Trucks	529	458	477	466	446	15.5	18.6
Total Vehicle Sales	17,294	16,687	16,192	16,838	17,320	3.6	(0.2)
U.S. Motor Vehicle Production¹⁾							
Autos	2,131	2,152	2,278	2,268	2,617	(0.9)	(18.6)
Michigan Motor Vehicle Production²⁾							
Autos	195	136	148	204	274	43.4	(28.8)
Trucks	1,885	1,731	1,516	1,510	2,061	8.9	(8.5)
Total	2,080	1,867	1,664	1,714	2,335	11.4	(10.9)
Michigan Production as % of U.S.	19.8%	17.3%	16.6%	16.0%	19.4%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 28,105	\$ 27,669	\$ 27,410	\$ 27,741	\$ 26,769	1.6	5.0
Domestic	\$ 26,175	\$ 26,063	\$ 25,823	\$ 26,271	\$ 25,328	0.4	3.3
Foreign	\$ 32,986	\$ 32,426	\$ 32,792	\$ 32,601	\$ 31,277	1.7	5.5
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.							



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	79.0	80.7	99.8	(2.1%)	(20.8%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Jan	\$52.00	\$47.02	\$57.52	10.6	(9.6)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Jan	1,625	1,661	1,589	(2.2)	2.3
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Jan	\$520.2	\$484.8	\$460.6	7.3	12.9
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Jan	99.3	98.3	101.1	1.1	(1.7)
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Jan	74.9	74.1	76.1	1.1	(1.6)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Jan	262.2	261.6	258.7	3.1	1.4
Detroit (not seasonally adjusted)	Dec	239.1	239.9	237.5	(2.1)	0.7
Interest Rates						
3-month Treasury Bill ⁴⁾	Jan	0.08%	0.09%	1.55%	--	--
30-year Conventional Mortgage ⁶⁾	Jan	2.74%	2.68%	3.62%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2020 4th Quarter	\$18,794.4	\$18,596.5	\$19,254.0	4.3	(2.4)
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Jan	\$2,803.2	\$2,297.6	\$2,260.3	NM	24.0

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.

