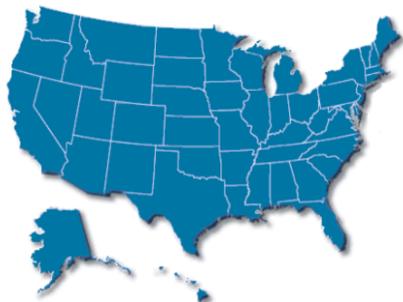


ECONOMIC HIGHLIGHTS



Seasonally adjusted **retail sales** in January 2023 were up 2.9% from the level in December 2022 and 5.5% from the level in January 2022. Compared to December 2022, sales at motor vehicle dealers rose 7.8%, while sales at department stores increased 18.1%. Compared to January 2022, the largest year-over-year gains were reported for sales at food services/drinking places (up 24.4%), and clothing stores (up 11.9%). Electronics and appliance stores represented the only major sector to exhibit a year-over-year decline, with retail sales down 1.6%.

In January 2023, seasonally adjusted **light vehicle sales** at an annual rate rose 19.9% from the level in December 2022 and were up 6.1% compared to January 2022. Sales of light trucks rose faster than those for automobiles, especially when compared to December 2022. Across both types of light vehicles, sales of domestically produced vehicles increased more rapidly than sales of imported vehicles.



Michigan **wage and salary employment** increased by 12,000 jobs in January 2023 and was up 96,000 jobs from January 2022. Reflecting the impact rising interest rates have had on the real estate and finance sectors, the only sector to exhibit a year-over-decline was the financial activities sector, in which employment declined by 4,000 jobs (1.8%). Compared to January 2022, three sectors (mining/logging, information, and leisure/hospitality services) exhibited employment growth of more than 5.0%. The transportation equipment manufacturing sector remained relatively flat, with employment between January 2022 and January 2023 rising 1.0%.

Michigan's inflation-adjusted **gross domestic product (GDP)** increased 1.8% in 2022, after growing 7.4% during 2021. Michigan's growth rate was below the national average of 2.1% but placed Michigan 23rd among the 50 states and in the middle of the Great Lakes states: Illinois grew 2.3% (18th), Indiana 1.9% (22nd), Wisconsin 1.7% (26th), and Ohio 1.5% (31st).

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Jan 2023	Dec 2022	Jan 2022	Change from Dec		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	165,832	164,966	163,633	866	0.5%	2,199	1.3%
Employment	160,138	159,244	157,122	894	0.6	3,016	1.9
Unemployment	5,694	5,722	6,511	(28)	(0.5)	(817)	(12.5)
Unemployment Rate	3.4%	3.5%	4.0%	--	--	--	--
Michigan	Jan 2023	Dec 2022	Jan 2022	Change from Dec		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,836	4,833	4,814	3	0.1%	23	0.5%
Employment	4,627	4,624	4,603	3	0.1	24	0.5
Unemployment	209	209	210	(0)	(0.1)	(1)	(0.6)
Unemployment Rate	4.3%	4.3%	4.4%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Jan 2023	Dec 2022	Jan 2022	Change from Dec		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,402	4,390	4,306	12	0.3%	96	2.2%
Goods Producing Industries	803	800	786	3	0.4	17	2.2
Mining and Logging	7	7	7	(0)	(1.4)	1	7.4
Construction	189	188	181	1	0.6	8	4.1
Manufacturing	607	605	598	2	0.3	9	1.5
Transportation Equipment	186	185	185	1	0.6	2	1.0
Service Producing Industries	3,599	3,590	3,521	9	0.2	78	2.2
Trade, Transportation & Utilities	807	804	797	3	0.4	10	1.3
Wholesale Trade	177	176	170	1	0.7	7	4.2
Retail Trade	454	453	452	1	0.2	2	0.5
Transportation & Utilities	176	175	175	1	0.7	1	0.5
Information	58	58	55	(0)	(0.5)	3	6.0
Financial Activities	228	228	232	1	0.2	(4)	(1.8)
Professional & Business Services	661	659	652	2	0.3	9	1.3
Education & Health Services	674	672	656	2	0.4	19	2.9
Leisure & Hospitality Services	411	410	391	1	0.3	21	5.2
Other Services	160	161	160	(1)	(0.3)	1	0.4
Government	599	599	578	0	0.0	21	3.6

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 2023	Year Ago	Percent Change	Jan 2023	Year Ago	Percent Change
Construction	38.9	38.1	2.1%	\$1,250.25	\$1,212.34	3.1%
Manufacturing	40.4	41.8	(3.3)	1,058.88	1,021.59	3.7
Durable Goods	40.7	41.7	(2.4)	1,109.48	1,058.35	4.8
Transportation Equipment Mfg.	41.9	43.8	(4.3)	1,262.03	1,325.83	(4.8)
Motor Vehicle Parts Mfg.	38.9	42.0	(7.4)	1,099.31	1,178.52	(6.7)
Nondurable Goods	39.7	42.1	(5.7)	912.31	915.68	(0.4)
Wholesale Trade	39.6	38.6	2.6	1,239.48	1,055.71	17.4
Retail Trade	29.1	27.8	4.7	539.22	495.95	8.7
Information	37.1	37.4	(0.8)	1,312.23	1,070.39	22.6
Financial Activities	37.5	37.3	0.5	1,071.00	1,027.24	4.3
Professional & Business Services	34.9	34.8	0.3	1,044.21	1,064.53	(1.9)
Health Care & Social Assistance	32.5	31.8	2.2	840.45	706.18	19.0
Leisure & Hospitality	21.5	22.0	(2.3)	365.93	338.14	8.2
Accommodation & Food Services	21.5	22.3	(3.6)	364.64	340.30	7.2

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 2023	Dec 2022	Nov 2022	Jan 2022
Metropolitan Statistical Areas				
Ann Arbor	3.5%	3.0%	3.4%	3.4%
Battle Creek	5.1	4.3	4.3	5.4
Bay City	6.3	4.9	4.4	6.1
Detroit-Warren-Dearborn	4.2	3.2	3.4	4.8
Flint	6.1	4.9	5.0	6.5
Grand Rapids-Wyoming	3.7	3.1	3.2	3.7
Jackson	4.9	4.0	3.9	5.1
Kalamazoo-Portage	4.6	3.9	3.8	4.5
Lansing-East Lansing	4.9	3.5	3.7	4.9
Midland	4.9	4.0	3.9	4.6
Monroe	5.2	4.1	4.4	4.9
Muskegon	5.3	4.5	4.8	5.9
Niles-Benton Harbor	5.3	4.4	4.0	5.2
Saginaw	6.3	5.2	4.9	6.2
Multi-County Areas				
Northeast Lower Michigan	9.5	7.5	5.2	8.9
Northwest Lower Michigan	6.2	5.0	3.9	6.0
Upper Peninsula	7.2	5.8	4.3	6.6
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	4.8	3.8	3.7	5.0
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 2023	Dec 2022	Nov 2022	Oct 2022	Year Ago Jan	Percent Change From:	
						Jan/Dec	Jan 2023/ Jan 2022
Motor Vehicle Sales¹⁾							
Autos	3,215	2,812	3,188	3,264	3,039	14.3%	5.8%
Domestics	2,269	1,969	2,272	2,383	2,144	15.2	5.8
Imports	946	843	916	881	895	12.2	5.7
Import Share	29.4%	30.0%	28.7%	27.0%	29.5%	----	----
Light Trucks	12,821	10,563	11,154	12,017	12,072	21.4	6.2
Domestics	10,332	8,496	9,054	9,706	9,636	21.6	7.2
Imports	2,489	2,067	2,100	2,311	2,436	20.4	2.2
Import Share	19.4%	19.6%	18.8%	19.2%	20.2%	----	----
Subtotal: Light Vehicle Sales	16,036	13,375	14,342	15,281	15,111	19.9	6.1
Heavy Trucks	503	501	510	492	438	0.4	14.8
Total Vehicle Sales	16,539	13,876	14,852	15,773	15,549	19.2	6.4
U.S. Motor Vehicle Production¹⁾							
Autos	1,771	1,765	1,811	1,913	1,559	0.3	13.6
Michigan Motor Vehicle Production²⁾							
Autos	153	168	187	200	108	(8.9)	41.8
Trucks	1,686	1,837	1,960	1,934	1,785	(8.2)	(5.6)
Total	1,838	2,004	2,147	2,133	1,893	(8.3)	(2.9)
Michigan Production as % of U.S.	20.6%	21.5%	20.7%	20.3%	22.1%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 32,532	\$ 31,831	\$ 31,603	\$ 31,775	\$ 32,566	2.2	(0.1)
Domestic	\$ 29,890	\$ 29,859	\$ 29,225	\$ 29,652	\$ 29,539	0.1	1.2
Foreign	\$ 38,829	\$ 36,436	\$ 37,501	\$ 37,519	\$ 40,094	6.6	(3.2)
Inventory-to-Sales Ratio	0.577	0.689	0.552	0.523	0.392	(16.3)	47.2
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.							



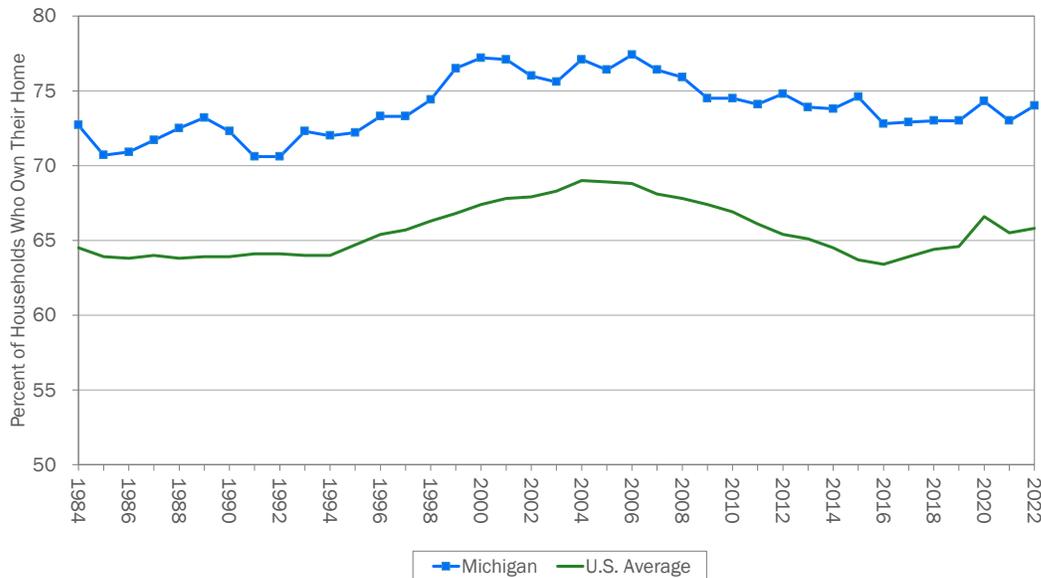
OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period ⁹⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Jan	64.9	59.7	67.2	8.7%	(3.4%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Jan	\$78.12	\$76.44	\$83.22	2.2	(6.1)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Jan	1,321	1,348	1,666	(2.0)	(20.7)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Jan	\$605.9	\$589.0	\$574.5	2.9	5.5
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Jan	102.0	101.6	101.0	0.4	1.0
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Jan	79.2	79.0	79.4	0.3	(0.3)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Jan	300.5	299.0	282.6	6.4	6.3
Detroit (not seasonally adjusted)	Dec	271.6	274.5	255.8	(6.1)	6.2
Interest Rates						
3-month Treasury Bill ⁴⁾	Jan	4.69%	4.36%	0.15%	--	--
30-year Conventional Mortgage ⁶⁾	Jan	6.27%	6.36%	3.45%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2022 4th Quarter	\$20,182.5	\$20,054.7	\$20,006.2	2.6	0.9
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Jan	\$2,936.2	\$2,913.1	\$2,917.7	NM	0.6

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.

Michigan Homeownership Rate Above National Average

Although Down from the Housing Boom, Rates Remain Above Levels from the 1980s



Source: Bureau of the Census, U.S. Department of Commerce.