

## ECONOMIC HIGHLIGHTS



United States **consumer sentiment** increased 13.3% in January 2024 from the December 2023 level and was 21.7% above the level in January 2023. Consumer sentiment in January 2024 was at the highest level since July 2021 and up 60% from the all-time low in June 2022. The increase in sentiment reflected consumers' having more positive views about both inflation and personal income.

The US **current account deficit**, which reflects the combined balances on trade in goods and services as well as income flows between US residents and residents of other countries, decreased \$21.3 billion (9.9%) between the fourth quarter of 2023 and the fourth quarter of 2022. The deficit totaled \$194.8 billion, representing 0.7% of gross domestic product, down from the decade-high peak of 1.1% in the first quarter of 2022.



Michigan's inflation-adjusted **gross domestic product** increased 1.5% in 2023 but was below the national average of 2.5%, ranking Michigan's 38th among the 50 states and first among the Great Lakes states. Indiana grew at 1.4% (39th), followed by Illinois at 1.3% (41st), Ohio at 1.2% (43rd), and Wisconsin at 0.2% (49th).

January 2024 **regional unemployment rates** in Michigan were down year-over-year in all metro statistical areas. Compared to January 2023, five areas experienced declines of at least 1.0 percentage point in the unemployment rate: Bay City (-1.0), Lansing/East Lansing (-1.1), Northeast Lower Michigan (-1.7), Saginaw (-1.0), and the Upper Peninsula (-1.2). The Ann Arbor metro area exhibited the lowest unemployment rate in Michigan, at 2.9%, while across metropolitan areas both Bay City and Saginaw exhibited the highest unemployment rates, at 5.1%.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Jan 2024	Dec 2023	Jan 2023	Change from Dec		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	167,276	167,451	165,871	(175)	(0.1%)	1,405	0.8%
Employment	161,152	161,183	160,152	(31)	(0.0)	1,000	0.6
Unemployment	6,124	6,268	5,719	(144)	(2.3)	405	7.1
Unemployment Rate	3.7%	3.7%	3.4%	--	--	--	--
Michigan	Jan 2024	Dec 2023	Jan 2023	Change from Dec		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	5,044	5,043	4,928	0	0.0%	115	2.3%
Employment	4,842	4,836	4,731	5	0.1	111	2.3
Unemployment	202	207	197	(5)	(2.4)	5	2.4
Unemployment Rate	4.0%	4.1%	4.0%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Jan 2024	Dec 2023	Jan 2023	Change from Dec		Change from Yr Ago	
				Number	Percent	Number	Percent
<b>Total Non-Agricultural Jobs</b>	4,457	4,466	4,429	(9)	(0.2%)	28	0.6%
<b>Goods Producing Industries</b>	810	809	810	0	0.0	(1)	(0.1)
Mining and Logging	8	7	7	0	2.7	0	1.4
Construction	193	190	187	3	1.6	6	3.1
Manufacturing	609	612	616	(3)	(0.5)	(7)	(1.1)
Transportation Equipment*	183	188	187	(5)	(2.9)	(5)	(2.5)
<b>Service Producing Industries</b>	3,648	3,657	3,619	(9)	(0.2)	29	0.8
Trade, Transportation & Utilities	818	819	813	(1)	(0.1)	6	0.7
Wholesale Trade	181	181	176	(0)	(0.2)	5	2.6
Retail Trade	458	459	459	(1)	(0.2)	(1)	(0.2)
Transportation & Utilities	180	179	177	1	0.4	2	1.4
Information	58	58	59	(0)	(0.3)	(1)	(1.5)
Financial Activities	231	231	231	0	0.1	(0)	(0.1)
Professional & Business Services	645	648	661	(2)	(0.4)	(16)	(2.4)
Education & Health Services	691	695	678	(5)	(0.7)	13	1.9
Leisure & Hospitality Services	423	426	416	(3)	(0.7)	7	1.7
Other Services	169	170	169	(2)	(0.9)	(0)	(0.1)
Government	613	610	593	3	0.5	20	3.4

\* 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		
	Jan 2024	Year Ago	Percent Change	Jan 2024	Year Ago	Percent Change
Construction	39.6	38.9	1.8	\$1,465.60	\$1,249.08	17.3%
Manufacturing	38.3	40.4	(5.2)	1,023.38	1,057.67	(3.2)
Durable Goods	39.2	40.7	(3.7)	1,106.22	1,109.48	(0.3)
Transportation Equipment Mfg.	38.1	41.9	(9.1)	1,155.19	1,262.03	(8.5)
Motor Vehicle Parts Mfg.	39.3	38.9	1.0	1,088.22	1,099.31	(1.0)
Nondurable Goods	35.7	39.7	(10.1)	780.76	912.31	(14.4)
Wholesale Trade	38.7	39.6	(2.3)	1,226.79	1,239.48	(1.0)
Retail Trade	28.5	29.1	(2.1)	542.93	539.22	0.7
Information	35.5	37.1	(4.3)	1,462.60	1,312.23	11.5
Financial Activities	36.8	37.5	(1.9)	1,102.53	1,071.00	2.9
Professional & Business Services	33.4	34.9	(4.3)	1,034.73	1,044.21	(0.9)
Health Care & Social Assistance	31.6	32.5	(2.8)	853.52	840.45	1.6
Leisure & Hospitality	21.0	21.4	(1.9)	378.21	364.23	3.8
Accommodation & Food Services	21.1	21.5	(1.9)	378.32	364.64	3.8

**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)				
	Jan 2024	Dec 2023	Nov 2023	Jan 2023
<b>Metropolitan Statistical Areas</b>				
Ann Arbor	2.9%	2.7%	2.6%	3.4%
Battle Creek	4.2	4.0	3.5	4.8
Bay City	5.1	4.5	3.7	6.1
Detroit-Warren-Dearborn	3.9	3.3	3.4	4.0
Flint	4.9	4.4	4.0	5.8
Grand Rapids-Wyoming	3.0	2.8	2.6	3.5
Jackson	3.9	3.6	3.2	4.7
Kalamazoo-Portage	3.7	3.5	3.1	4.4
Lansing-East Lansing	3.7	3.1	2.9	4.8
Midland	3.9	3.5	3.1	4.7
Monroe	4.2	3.7	3.5	4.9
Muskegon	4.2	4.0	3.7	5.0
Niles-Benton Harbor	4.3	3.8	3.3	5.1
Saginaw	5.1	4.7	4.1	6.1
<b>Multi-County Areas</b>				
Northeast Lower Michigan	7.3	6.6	4.9	9.0
Northwest Lower Michigan	4.9	4.3	3.5	5.9
Upper Peninsula	5.6	5.0	3.9	6.8
<b>Michigan Statewide Average</b> (unadjusted - comparable to figures shown above)				
	4.0	3.5	3.3	4.5
<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)							
	Jan 2024	Dec 2023	Nov 2023	Oct 2023	Year Ago Jan	Percent Change From:	
						Jan/Dec	Jan 2024/ Jan 2023
<b>Motor Vehicle Sales<sup>1)</sup></b>							
Autos	2,924	3,194	3,119	3,051	3,053	(8.5%)	(4.2%)
Domestics	2,043	2,336	2,228	2,208	2,160	(12.5)	(5.4)
Imports	881	858	891	843	893	2.7	(1.3)
Import Share	30.1%	26.9%	28.6%	27.6%	29.2%	----	----
Light Trucks	11,966	12,921	12,418	12,417	12,052	(7.4)	(0.7)
Domestics	9,570	10,241	9,791	9,798	9,730	(6.6)	(1.6)
Imports	2,396	2,680	2,627	2,619	2,322	(10.6)	3.2
Import Share	20.0%	20.7%	21.2%	21.1%	19.3%	----	----
Subtotal: Light Vehicle Sales	14,890	16,115	15,537	15,468	15,105	(7.6)	(1.4)
Heavy Trucks	507	458	480	451	501	10.7	1.2
Total Vehicle Sales	15,397	16,573	16,017	15,919	15,606	(7.1)	(1.3)
<b>U.S. Motor Vehicle Production<sup>1)</sup></b>							
Autos	1,619	1,732	1,752	1,616	1,698	(6.5)	(4.7)
<b>Michigan Motor Vehicle Production<sup>2)</sup></b>							
Autos	112	149	199	204	164	(24.8)	(31.4)
Trucks	1,618	1,435	1,566	1,347	1,773	12.8	(8.7)
Total	1,731	1,584	1,765	1,551	1,937	9.2	(10.7)
Michigan Production as % of U.S.	16.9%	16.2%	17.1%	16.1%	20.5%	----	----
<b>Average Expenditure per Car<sup>1)</sup></b>							
Overall	\$ 30,009	\$ 30,255	\$ 30,843	\$ 29,870	\$ 32,769	(0.8%)	(8.4%)
Domestic	\$ 27,461	\$ 27,763	\$ 28,584	\$ 28,040	\$ 29,508	(1.1%)	(6.9%)
Foreign	\$ 35,921	\$ 37,038	\$ 36,498	\$ 34,663	\$ 40,721	(3.0%)	(11.8%)
<b>Inventory-to-Sales Ratio</b>							
	1.428	1.228	1.273	1.159	0.632	16.3	125.9
<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.							

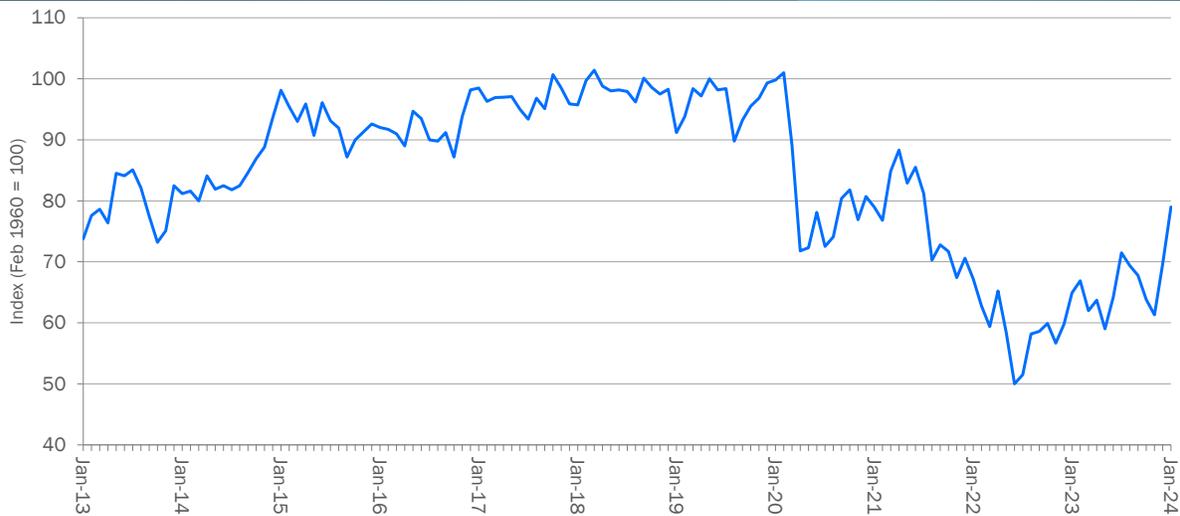


OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period <sup>9)</sup>	Year Ago
<b>Index of Consumer Sentiment</b> , monthly <sup>1)</sup> (1996 Q1=100)	Jan	79.0	69.7	64.9	13.3%	21.7%
<b>Oil Prices</b> <sup>2)</sup> (\$ per barrel, West Texas Intermediate Crude)	Jan	\$74.15	\$71.90	\$78.12	3.1	(5.1)
<b>Housing Starts, U.S.</b> <sup>3)</sup> (thousands of units, SAAR)	Jan	1,376	1,568	1,367	(12.2)	0.7
<b>Retail Sales, U.S.</b> <sup>3)</sup> (billions, seasonally adjusted)	Jan	\$601.9	\$608.7	\$603.5	(1.1)	(0.3)
<b>Industrial Production Index</b> <sup>4)</sup> (2007=100, seasonally adjusted)	Jan	101.8	102.6	102.5	(0.8)	(0.7)
<b>Capacity Utilization</b> <sup>4)</sup> (% of total capacity, seasonally adjusted)	Jan	77.9	78.6	79.6	(0.9)	(2.1)
<b>Consumer Price Index</b> <sup>5)</sup> (1982-84=100)						
U.S. (seasonally adjusted)	Jan	309.7	308.7	300.4	3.7	3.1
Detroit (not seasonally adjusted)	Dec	283.8	283.9	271.6	(0.2)	4.5
<b>Interest Rates</b>						
3-month Treasury Bill <sup>4)</sup>	Jan	5.45%	5.44%	4.69%	--	--
30-year Conventional Mortgage <sup>6)</sup>	Jan	6.64%	6.82%	6.27%	--	--
<b>Real Gross Domestic Product</b> <sup>7)</sup> (billions of 2017 \$, SAAR, Chain-Weighted)	2023 4th Quarter	\$22,679.3	\$22,490.7	\$21,990.0	3.4	3.1
<b>Michigan Tax Collections</b> <sup>8)</sup> (12 major taxes, millions)	Jan	\$3,195.7	\$3,033.3	\$2,936.2	NM	8.8

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.

## Consumer Sentiment Up Sharply January 2024 at Highest Level Since July 2021



Source: Survey of Consumers, University of Michigan Institute for Social Research.