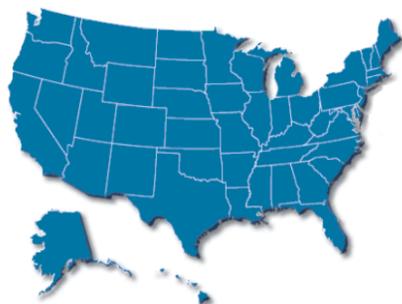


Michigan Economic Indicators

JANUARY 2025



ECONOMIC HIGHLIGHTS



In January 2025, seasonally adjusted **light vehicle sales** fell 8.1% from the sales level in December 2024 but were up 3.1% compared to January 2024. Automobile sales were down 5.1% from January 2024, with sales of domestic automobiles down 13.6% and sales of imported automobiles up 13.2%. In contrast, sales of light trucks were up 5.2%, with sales of domestic light trucks up 2.2% from January 2024 while sales of imported light trucks were up 16.7%.

Labor productivity, as measured by output per hour in the nonfarm business sector, increased 2.7% in the 2024, above the 1.8% increase during 2023 and the 1.5% decline during 2022. The 2.7% increase in labor productivity for 2024 was the highest annual increase since a 5.3% gain in 2020 (due to changes implemented during the pandemic) and the 3.3% increase in 2010.



In Michigan, the **unemployment rate** increased to 5.3% in January 2025, up from 5.2% in December 2024 and 4.0% in January 2024. The January 2025 unemployment rate represented the highest unemployment rate in Michigan since September 2021, and when compared to pre-pandemic rates, was the highest since July 2015. Compared to January 2024, January 2025 employment was down by 8,000 jobs, but the number of people in the labor force increased by 59,000.

In January 2025, **average weekly earnings** rose compared to January 2024 for most major sectors, partially reflecting increases in **average weekly hours**. Earnings fell in the wholesale trade, retail trade, and financial activities sectors, and hours declined in both the retail trade and financial activities sectors. Across sectors exhibiting year-over-year gains, earnings rose the most in the durable goods manufacturing sector (12.4%), followed by nondurable goods manufacturing (9.8%) and the accommodation and food services sector (6.2%).

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Jan 2025	Dec 2024	Jan 2024	Change from Dec		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	170,744	168,547	167,339	2,197	1.3%	3,405	2.0%
Employment	163,895	161,661	161,190	2,234	1.4	2,705	1.7
Unemployment	6,849	6,886	6,149	(37)	(0.5)	700	11.4
Unemployment Rate	4.0%	4.1%	3.7%	--	--	--	--
Michigan	Jan 2025	Dec 2024	Jan 2024	Change from Dec		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	5,092	5,080	5,033	12	0.2%	59	1.2%
Employment	4,824	4,818	4,832	6	0.1	(8)	(0.2)
Unemployment	268	262	201	6	2.3	67	33.4
Unemployment Rate	5.3%	5.2%	4.0%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Jan 2025	Dec 2024	Jan 2024	Change from Dec		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,518	4,510	4,473	9	0.2%	45	1.0%
Goods Producing Industries	802	804	815	(2)	(0.3)	(14)	(1.7)
Mining and Logging	8	7	7	0	2.7	0	2.7
Construction	200	199	194	1	0.5	6	3.0
Manufacturing	595	598	614	(4)	(0.6)	(20)	(3.2)
Transportation Equipment*	176	186	188	(10)	(5.2)	(12)	(6.5)
Service Producing Industries	3,716	3,705	3,658	11	0.3	59	1.6
Trade, Transportation & Utilities	811	812	810	(1)	(0.1)	1	0.1
Wholesale Trade	177	178	177	(1)	(0.3)	1	0.3
Retail Trade	453	453	454	0	0.0	(1)	(0.2)
Transportation & Utilities	181	181	180	(1)	(0.4)	1	0.6
Information	57	57	57	0	0.7	(0)	(0.3)
Financial Activities	239	238	233	0	0.2	6	2.5
Professional & Business Services	640	640	647	(0)	(0.1)	(7)	(1.1)
Education & Health Services	734	726	704	7	1.0	30	4.3
Leisure & Hospitality Services	435	435	424	0	0.1	12	2.8
Other Services	178	175	172	3	1.5	6	3.6
Government	623	621	611	2	0.2	11	1.8

* 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 2025	Year Ago	Percent Change	Jan 2025	Year Ago	Percent Change
Construction	40.4	39.5	2.3	\$1,483.08	\$1,457.95	1.7%
Manufacturing	39.5	38.3	3.1	1,135.23	1,022.99	11.0
Durable Goods	39.5	39.2	0.8	1,243.07	1,106.22	12.4
Transportation Equipment Mfg.	38.6	38.1	1.3	1,244.46	1,155.19	7.7
Motor Vehicle Parts Mfg.	40.0	39.3	1.8	1,177.20	1,088.22	8.2
Nondurable Goods	39.5	35.7	10.6	857.55	780.76	9.8
Wholesale Trade	39.2	38.7	1.3	1,216.77	1,226.79	(0.8)
Retail Trade	28.1	28.5	(1.4)	541.21	542.93	(0.3)
Information	35.2	35.5	(0.8)	1,537.18	1,462.60	5.1
Financial Activities	36.2	36.8	(1.6)	1,072.24	1,102.53	(2.7)
Professional & Business Services	33.6	33.4	0.6	1,089.98	1,034.73	5.3
Health Care & Social Assistance	31.7	31.6	0.3	888.23	853.52	4.1
Leisure & Hospitality	21.6	21.0	2.9	398.09	378.21	5.3
Accommodation & Food Services	22.0	21.1	4.3	401.72	378.32	6.2

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 2025	Dec 2024	Nov 2024	Jan 2024
Metropolitan Statistical Areas				
Ann Arbor	4.5%	3.9%	3.7%	3.0%
Battle Creek	6.1	5.7	5.0	4.5
Bay City	7.2	5.9	4.9	5.5
Detroit-Warren-Dearborn	5.6	4.7	5.1	4.0
Flint	7.3	6.1	5.4	5.2
Grand Rapids-Wyoming	4.7	4.3	3.7	3.3
Jackson	6.1	5.3	4.4	4.3
Kalamazoo-Portage	4.9	4.5	4.3	3.4
Lansing-East Lansing	5.0	4.5	4.0	3.9
Midland	5.6	4.8	4.3	4.0
Monroe	6.8	5.3	5.3	4.5
Muskegon	6.2	5.8	5.2	4.3
Niles-Benton Harbor	6.2	5.6	4.9	4.6
Saginaw	7.6	6.3	5.6	5.4
Traverse City	5.6	4.9	4.1	4.3
Multi-County Areas				
Northeast Lower Michigan	10.4	8.8	6.5	7.9
Northwest Lower Michigan	6.6	5.7	4.6	5.1
Upper Peninsula	7.9	7.1	5.3	6.1
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	5.9	5.0	4.8	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 2025	Dec 2024	Nov 2024	Oct 2024	Year Ago Jan	Percent Change From:	
						Jan/Dec	Jan 2025/ Jan 2024
Motor Vehicle Sales¹⁾							
Autos	2,829	3,040	3,075	3,097	2,982	(6.9%)	(5.1%)
Domestics	1,766	1,928	1,983	2,055	2,043	(8.4)	(13.6)
Imports	1,063	1,112	1,092	1,042	939	(4.4)	13.2
Import Share	37.6%	36.6%	35.5%	33.6%	31.5%	----	----
Light Trucks	12,668	13,829	13,585	13,023	12,044	(8.4)	5.2
Domestics	9,817	10,909	10,805	10,299	9,602	(10.0)	2.2
Imports	2,851	2,920	2,780	2,724	2,442	(2.4)	16.7
Import Share	22.5%	21.1%	20.5%	20.9%	20.3%	----	----
Subtotal: Light Vehicle Sales	15,497	16,869	16,660	16,120	15,026	(8.1)	3.1
Heavy Trucks	491	454	491	462	510	8.1	(3.7)
Total Vehicle Sales	15,988	17,323	17,151	16,582	15,536	(7.7)	2.9
U.S. Motor Vehicle Production¹⁾							
Autos	1,150	1,226	1,418	1,474	1,472	(6.3)	(21.9)
Michigan Motor Vehicle Production²⁾							
Autos	97	82	62	79	126	18.0	(22.9)
Trucks	1,653	2,120	2,015	2,196	1,675	(22.0)	(1.3)
Total	1,750	2,202	2,077	2,275	1,801	(20.5)	(2.9)
Michigan Production as % of U.S.	18.1%	21.0%	19.4%	19.5%	17.1%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 33,829	\$ 34,486	\$ 32,819	\$ 32,920	\$ 33,014	(1.9%)	2.5%
Domestic	\$ 29,488	\$ 30,936	\$ 30,390	\$ 30,274	\$ 30,217	(4.7%)	(2.4%)
Foreign	\$ 41,364	\$ 40,641	\$ 37,233	\$ 38,140	\$ 39,253	1.8%	5.4%
Inventory-to-Sales Ratio	1.397	1.288	1.337	1.382	1.408	8.5	(0.8)
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.							



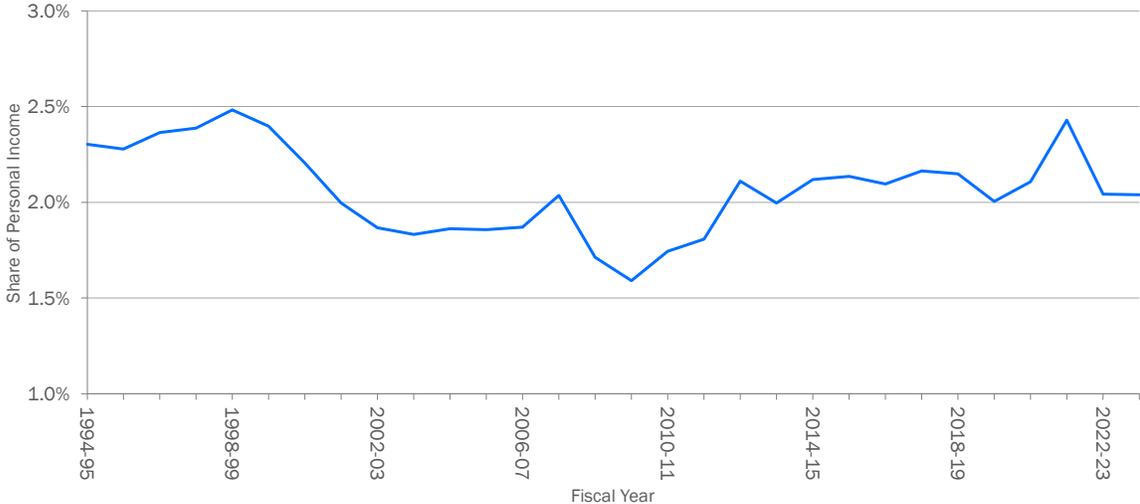
OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period ⁹⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Jan	71.7	74.0	79.0	(3.1%)	(9.2%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Jan	\$75.74	\$70.12	\$74.15	8.0	2.1
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Jan	1,350	1,526	1,376	(11.5)	(1.9)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Jan	\$624.3	\$633.4	\$600.9	(1.4)	3.9
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Jan	103.4	103.2	101.5	0.3	1.9
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Jan	77.7	77.6	77.2	0.1	0.7
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Jan	319.1	317.6	309.8	5.7	3.0
Detroit (not seasonally adjusted)	Dec	291.8	293.1	283.8	(2.7)	2.8
Interest Rates						
3-month Treasury Bill ⁴⁾	Jan	4.34%	4.39%	5.45%	--	--
30-year Conventional Mortgage ⁶⁾	Jan	6.96%	6.72%	6.64%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2017 \$, SAAR, Chain-Weighted)	2024 4th Quarter	\$23,536.3	\$23,400.3	\$22,960.6	2.3	2.5
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Jan	\$3,017.5	\$3,127.6	\$3,195.7	NM	(5.6)

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.

Individual Income Tax, Share of Personal Income

Timing Issues on Flow-Through Entity Provisions Disrupted a Decade of Stability



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