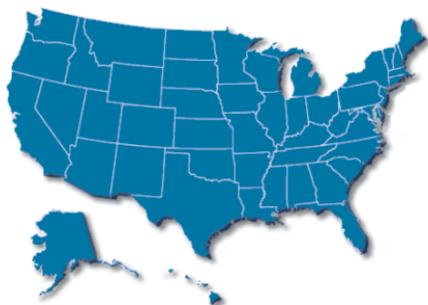


ECONOMIC HIGHLIGHTS



The **Index of Consumer Sentiment** decreased 7.2% in July 2020, from 78.1 in June 2020 to 72.5. The July reading was 26.3% below the July 2019 reading. The low sentiment reflected uncertainty about the future course of the COVID-19 public health emergency. Since hitting a recent peak of 101.0 in February 2020, consumer sentiment has shown no real trend. The index fell in March and April, grew slightly in May and June, then fell slightly in July amid uncertainty over the future path of economic policy.

The **index of industrial production**, which measures the real output of the manufacturing, mining, and utility sectors increased 4.2% in July 2020, continuing growth since its recent fall in April 2020. The index is still down 6.8% in July 2020 compared to July 2019. The index for manufacturing gained 4.2% in July compared to the previous month, while the mining index climbed 3.7%. The index for utilities increased 4.9% from June to July. When looking at the changes from July 2019 to July 2020, manufacturing decreased 7.7% and mining fell 17.0%, but utilities climbed 0.6%.



Michigan's seasonally adjusted **unemployment rate** fell from 14.9% in June 2020 to 8.7% in July 2020, but was well above the 4.1% rate in July 2019. Compared to June 2020, employment in July 2020 was higher, but the labor force was lower. Total **wage and salary employment** in Michigan increased by 102,000 jobs (2.6%) from June 2020 to July 2020, but was still down 493,000 jobs (11.1%) from July 2019.

In July 2020, **revenue from Michigan's major taxes** totaled \$3.5 billion, up 58.4% (\$1,283.5 million) from July 2019. Tax collections for the month were approximately \$679.8 million above the forecasted level. While the unprecedented year-over-year growth in revenue largely was expected given the July due date for many tax payments deferred earlier in the year, individual income tax withholding, quarterly and annual individual income tax payments, and sales tax collections were greater than expected.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	July 2020	June 2020	July 2019	Change from June		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	159,870	159,932	163,373	(62)	(0.0%)	(3,503)	(2.1%)
Employment	143,532	142,182	157,346	1,350	0.9	(13,814)	(8.8)
Unemployment	16,338	17,750	6,027	(1,412)	(8.0)	10,311	171.1
Unemployment Rate	10.2%	11.1%	3.7%	--	--	--	--
Michigan	July 2020	June 2020	July 2019	Change from June		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,817	4,943	4,934	(126)	(2.6%)	(118)	(2.4%)
Employment	4,395	4,205	4,732	191	4.5	(336)	(7.1)
Unemployment	421	738	203	(317)	(42.9)	219	107.9
Unemployment Rate	8.7%	14.9%	4.1%	--	--	--	--

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

Michigan Economic Indicators

JULY 2020



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	July 2020	June 2020	July 2019	Change from June		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	3,940	3,838	4,433	102	2.6%	(493)	(11.1%)
Goods Producing Industries	735	725	807	10	1.4	(72)	(8.9)
Mining and Logging	6	6	7	0	3.3	(1)	(14.9)
Construction	171	169	174	2	1.2	(3)	(1.7)
Manufacturing	559	550	626	8	1.5	(68)	(10.8)
Transportation Equipment	168	160	192	8	5.1	(24)	(12.3)
Service Producing Industries	3,204	3,113	3,626	91	2.9	(421)	(11.6)
Trade, Transportation & Utilities	746	732	796	14	2.0	(50)	(6.2)
Wholesale Trade	161	160	172	1	0.8	(11)	(6.2)
Retail Trade	432	420	464	12	2.8	(32)	(6.9)
Transportation & Utilities	154	152	161	2	1.0	(7)	(4.4)
Information	50	50	55	(1)	(1.4)	(6)	(10.5)
Financial Activities	219	219	224	0	0.1	(5)	(2.3)
Professional & Business Services	584	561	653	24	4.2	(69)	(10.5)
Education & Health Services	618	610	681	8	1.3	(63)	(9.3)
Leisure & Hospitality Services	270	242	435	29	11.8	(165)	(37.9)
Other Services	145	132	167	13	9.7	(22)	(13.1)
Government	572	568	614	4	0.7	(42)	(6.9)

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		
	July 2020	Year Ago	Percent Change	July 2020	Year Ago	Percent Change
Construction	40.6	41.9	(3.1%)	\$1,231.40	\$1,183.26	4.1%
Manufacturing	40.2	41.4	(2.9)	888.42	923.22	(3.8)
Durable Goods	40.6	42.1	(3.6)	916.34	967.46	(5.3)
Transportation Equipment Mfg.	43.2	45.8	(5.7)	1,212.62	1,229.73	(1.4)
Motor Vehicle Parts Mfg.	41.1	42.8	(4.0)	965.03	1,012.22	(4.7)
Nondurable Goods	39.2	39.1	0.3	813.01	782.00	4.0
Wholesale Trade	36.9	37.9	(2.6)	922.13	993.74	(7.2)
Retail Trade	28.1	30.1	(6.6)	487.54	444.88	9.6
Information	39.5	35.5	11.3	988.69	949.98	4.1
Financial Activities	35.4	35.1	0.9	967.84	911.90	6.1
Professional & Business Services	35.2	34.7	1.4	914.85	876.52	4.4
Health Care & Social Assistance	29.1	31.9	(8.8)	669.88	721.90	(7.2)
Leisure & Hospitality	23.8	24.2	(1.7)	306.78	310.73	(1.3)
Accommodation & Food Services	24.3	24.3	0.0	311.04	303.51	2.5

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)				
	July 2020	June 2020	May 2020	July 2019
Metropolitan Statistical Areas				
Ann Arbor	7.9%	10.7%	13.9%	4.2%
Battle Creek	10.9	15.3	22.3	5.2
Bay City	9.5	13.7	19.9	5.4
Detroit-Warren-Dearborn	10.1	18.0	23.8	5.3
Flint	11.8	16.2	24.7	6.1
Grand Rapids-Wyoming	8.4	12.0	17.1	3.9
Jackson	10.1	14.4	20.2	4.9
Kalamazoo-Portage	8.7	11.9	15.5	4.6
Lansing-East Lansing	8.4	11.4	16.7	4.6
Midland	7.9	11.1	15.8	4.5
Monroe	9.2	13.4	21.4	5.7
Muskegon	12.8	17.7	24.8	5.4
Niles-Benton Harbor	9.9	13.8	18.5	5.0
Saginaw	10.6	14.6	20.8	5.7
Multi-County Areas				
Northeast Lower Michigan	10.2	14.8	22.3	6.3
Northwest Lower Michigan	8.7	13.1	20.3	4.4
Upper Peninsula	8.2	12.0	16.4	5.8
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	9.5	15.0	20.8	5.1
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)							
	July 2020	June 2020	May 2020	Apr 2020	Year Ago July	Percent Change From:	
						July/June	July 2020/ July 2019
Motor Vehicle Sales¹⁾							
Autos	3,488	2,886	2,671	1,972	4,648	20.9%	(25.0%)
Domestics	2,656	2,065	1,883	1,496	3,421	28.6	(22.4)
Imports	832	821	788	476	1,227	1.3	(32.2)
Import Share	23.9%	28.4%	29.5%	24.1%	26.4%	----	----
Light Trucks	11,136	10,123	9,433	6,742	12,323	10.0	(9.6)
Domestics	8,538	7,449	7,088	5,294	9,776	14.6	(12.7)
Imports	2,598	2,674	2,345	1,448	2,547	(2.8)	2.0
Import Share	23.3%	26.4%	24.9%	21.5%	20.7%	----	----
Subtotal: Light Vehicle Sales	14,624	13,009	12,104	8,714	16,971	12.4	(13.8)
Heavy Trucks	379	342	304	346	557	10.8	(32.0)
Total Vehicle Sales	15,003	13,351	12,408	9,060	17,528	12.4	(14.4)
U.S. Motor Vehicle Production¹⁾							
Autos	2,664	1,657	558	20	2,623	60.8	1.6
Michigan Motor Vehicle Production²⁾							
Autos	351	158	39	0	236	122.7	48.6
Trucks	2,267	1,610	570	0	1,599	40.8	41.7
Total	2,617	1,767	609	0	1,835	48.1	42.6
Michigan Production as % of U.S.	20.6%	20.0%	17.8%	0.1%	18.3%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 28,261	\$ 27,483	\$ 27,703	\$ 26,770	\$ 26,666	2.8	6.0
Domestic	\$ 26,534	\$ 25,817	\$ 25,383	\$ 25,002	\$ 25,329	2.8	4.8
Foreign	\$ 33,745	\$ 31,680	\$ 33,228	\$ 32,300	\$ 30,395	6.5	11.0
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)	July	72.5	78.1	98.4	(7.2%)	(26.3%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	July	\$40.71	\$38.31	\$57.35	6.3	(29.0)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	July	1,487	1,265	1,212	17.5	22.7
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	July	\$483.7	\$479.8	\$457.1	0.8	5.8
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	July	101.7	97.6	109.1	4.2	(6.8)
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	July	71.6	68.7	77.4	4.2	(7.5)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	July	258.7	257.2	256.1	7.3	1.0
Detroit (not seasonally adjusted)	June	236.1	232.1	234.9	10.8	0.5
Interest Rates						
3-month Treasury Bill ⁴⁾	July	0.13%	0.16%	2.15%	--	--
30-year Conventional Mortgage ⁶⁾	July	3.02%	3.16%	3.77%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2020 2nd Quarter	\$17,302.5	\$19,010.8	\$19,020.6	(31.4)	(9.0)
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	July	\$3,482.8	\$2,125.7	\$2,199.3	NM	58.4

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.

