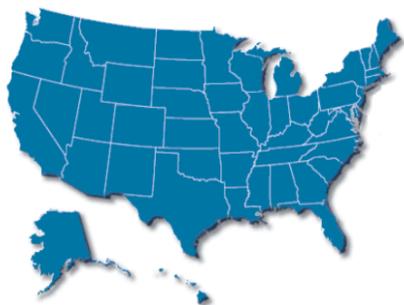


ECONOMIC HIGHLIGHTS



The **US Consumer Price Index (CPI)** for July 2023 increased at an annual rate of 2.0% from the June 2023 level and was 3.3% above the level in July 2022. More than 90% of the monthly increase reflected an increase in the CPI for shelter. Excluding volatile food and energy prices, the monthly gain remained the same as in June 2023, which was the smallest increase since August 2021. Compared to July 2022, the increase reflected higher shelter and food prices that were partially offset by lower energy prices.

The University of Michigan's **Consumer Sentiment Index** increased 11.4% in July 2023 from the June 2023 level and was 38.8% above the level in July 2022. The year-over-year increase in consumer sentiment reflected the largest year-over-year increase since January 1984, while the monthly increase was the second largest gain since September 2009 (after the 13.0% monthly gain in August 2022).



Seasonally adjusted **Michigan motor vehicle production** increased 0.4% from June 2023 to July 2023 and was 3.1% above the level in July 2022. Total motor vehicle production in July 2023 represented the highest level of production since September 2022 and the seventh highest level of output since January 2017. Compared to July 2022, automobile production was up 16.5% while truck production was up 1.8%.

Michigan **wage and salary employment** decreased by 5,000 jobs in July 2023 from the June 2023 level but was up 58,000 jobs from July 2022. The monthly decline represented the largest monthly decline since April 2021 while the year-over-year gain was the smallest increase since March 2021, when the year-over-year change represented a loss of more than 260,000 jobs.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	July 2023	June 2023	July 2022	Change from June		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	167,103	166,951	163,990	152	0.1%	3,113	1.9%
Employment	161,262	160,994	158,272	268	0.2	2,990	1.9
Unemployment	5,841	5,957	5,718	(116)	(1.9)	123	2.2
Unemployment Rate	3.5%	3.6%	3.5%	--	--	--	--
Michigan	July 2023	June 2023	July 2022	Change from June		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,941	4,918	4,845	23	0.5%	96	2.0%
Employment	4,764	4,742	4,645	22	0.5	119	2.6
Unemployment	177	176	200	1	0.5	(23)	(11.4)
Unemployment Rate	3.6%	3.6%	4.1%	--	--	--	--

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

Michigan Economic Indicators

JULY 2023



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	July 2023	June 2023	July 2022	Change from June		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,434	4,439	4,376	(5)	(0.1%)	58	1.3%
Goods Producing Industries	808	807	798	0	0.0	10	1.2
Mining and Logging	8	7	7	0	1.4	0	2.7
Construction	192	192	184	0	0.1	8	4.4
Manufacturing	608	608	607	(0)	(0.0)	1	0.2
Transportation Equipment	187	186	189	1	0.7	(1)	(0.6)
Service Producing Industries	3,627	3,632	3,578	(5)	(0.1)	48	1.3
Trade, Transportation & Utilities	812	809	805	2	0.3	7	0.8
Wholesale Trade	181	180	172	1	0.8	10	5.6
Retail Trade	455	455	455	0	0.1	(0)	(0.0)
Transportation & Utilities	175	174	178	1	0.4	(3)	(1.6)
Information	56	57	57	(0)	(0.5)	(0)	(0.4)
Financial Activities	230	229	232	0	0.0	(3)	(1.1)
Professional & Business Services	661	668	661	(8)	(1.2)	(0)	(0.0)
Education & Health Services	681	681	662	(1)	(0.1)	19	2.8
Leisure & Hospitality Services	416	416	406	1	0.1	11	2.6
Other Services	159	160	165	(1)	(0.7)	(6)	(3.4)
Government	613	611	592	2	0.3	21	3.5

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 2023	Year Ago	Percent Change	July 2023	Year Ago	Percent Change
Construction	40.6	40.0	1.5%	\$1,390.14	\$1,273.20	9.2%
Manufacturing	40.9	42.6	(4.0)	1,067.08	1,066.28	0.1
Durable Goods	42.1	42.7	(1.4)	1,133.33	1,104.22	2.6
Transportation Equipment Mfg.	41.4	42.7	(3.0)	1,235.38	1,255.38	(1.6)
Motor Vehicle Parts Mfg.	41.6	43.4	(4.1)	1,147.74	1,212.60	(5.3)
Nondurable Goods	37.1	42.4	(12.5)	861.83	959.94	(10.2)
Wholesale Trade	39.2	40.2	(2.5)	1,226.18	1,217.66	0.7
Retail Trade	29.5	29.0	1.7	552.54	525.19	5.2
Information	38.2	35.5	7.6	1,495.15	1,157.30	29.2
Financial Activities	36.6	36.5	0.3	1,037.61	1,026.38	1.1
Professional & Business Services	36.1	35.8	0.8	1,071.81	1,070.42	0.1
Health Care & Social Assistance	32.0	31.5	1.6	830.08	792.23	4.8
Leisure & Hospitality	22.9	23.0	(0.4)	393.65	385.02	2.2
Accommodation & Food Services	23.3	23.4	(0.4)	403.09	389.38	3.5

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 2023	June 2023	May 2023	July 2022
Metropolitan Statistical Areas				
Ann Arbor	4.0%	3.9%	3.6%	4.5%
Battle Creek	5.1	4.9	4.6	5.6
Bay City	5.2	5.1	4.9	5.7
Detroit-Warren-Dearborn	3.9	3.7	3.1	3.7
Flint	5.6	5.4	5.1	6.4
Grand Rapids-Wyoming	3.8	3.7	3.4	4.1
Jackson	4.6	4.4	4.2	5.2
Kalamazoo-Portage	4.5	4.4	4.1	4.8
Lansing-East Lansing	4.4	4.2	3.9	6.0
Midland	4.3	4.3	4.1	4.8
Monroe	4.6	4.5	4.8	5.7
Muskegon	5.2	5.0	4.7	5.7
Niles-Benton Harbor	4.7	4.6	4.3	5.1
Saginaw	5.6	5.5	5.3	6.3
Multi-County Areas				
Northeast Lower Michigan	5.8	5.7	5.8	6.2
Northwest Lower Michigan	4.3	4.3	4.5	4.5
Upper Peninsula	5.2	5.3	5.5	5.5
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	4.3	4.1	3.8	4.5
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 2023	June 2023	May 2023	Apr 2023	Year Ago July	Percent Change From:	
						July/June	July 2023/ July 2022
Motor Vehicle Sales¹⁾							
Autos	3,205	3,128	3,164	3,213	2,729	2.5%	17.4%
Domestics	2,368	2,328	2,333	2,336	1,945	1.7	21.7
Imports	837	800	831	877	784	4.6	6.8
Import Share	26.1%	25.6%	26.3%	27.3%	28.7%	----	----
Light Trucks	12,732	12,926	12,351	12,465	10,765	(1.5)	18.3
Domestics	10,064	10,317	9,994	10,067	8,866	(2.5)	13.5
Imports	2,668	2,609	2,357	2,398	1,899	2.3	40.5
Import Share	21.0%	20.2%	19.1%	19.2%	17.6%	----	----
Subtotal: Light Vehicle Sales	15,937	16,054	15,515	15,678	13,494	(0.7)	18.1
Heavy Trucks	504	548	565	532	472	(8.0)	6.8
Total Vehicle Sales	16,441	16,602	16,080	16,210	13,966	(1.0)	17.7
U.S. Motor Vehicle Production¹⁾							
Autos	1,788	1,794	1,853	1,990	1,688	(0.3)	5.9
Michigan Motor Vehicle Production²⁾							
Autos	232	178	173	177	199	30.5	16.5
Trucks	2,005	2,050	2,048	1,888	1,970	(2.2)	1.8
Total	2,237	2,227	2,221	2,065	2,169	0.4	3.1
Michigan Production as % of U.S.	20.4%	19.9%	19.1%	18.8%	21.7%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 30,794	\$ 31,790	\$ 31,965	\$ 32,371	\$ 32,909	(3.1)	(6.4)
Domestic	\$ 27,432	\$ 28,552	\$ 28,444	\$ 28,305	\$ 30,074	(3.9)	(8.8)
Foreign	\$ 40,397	\$ 41,216	\$ 41,849	\$ 43,200	\$ 39,940	(2.0)	1.1
Inventory-to-Sales Ratio	0.757	0.801	0.721	0.700	0.507	(5.5)	49.3
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.							



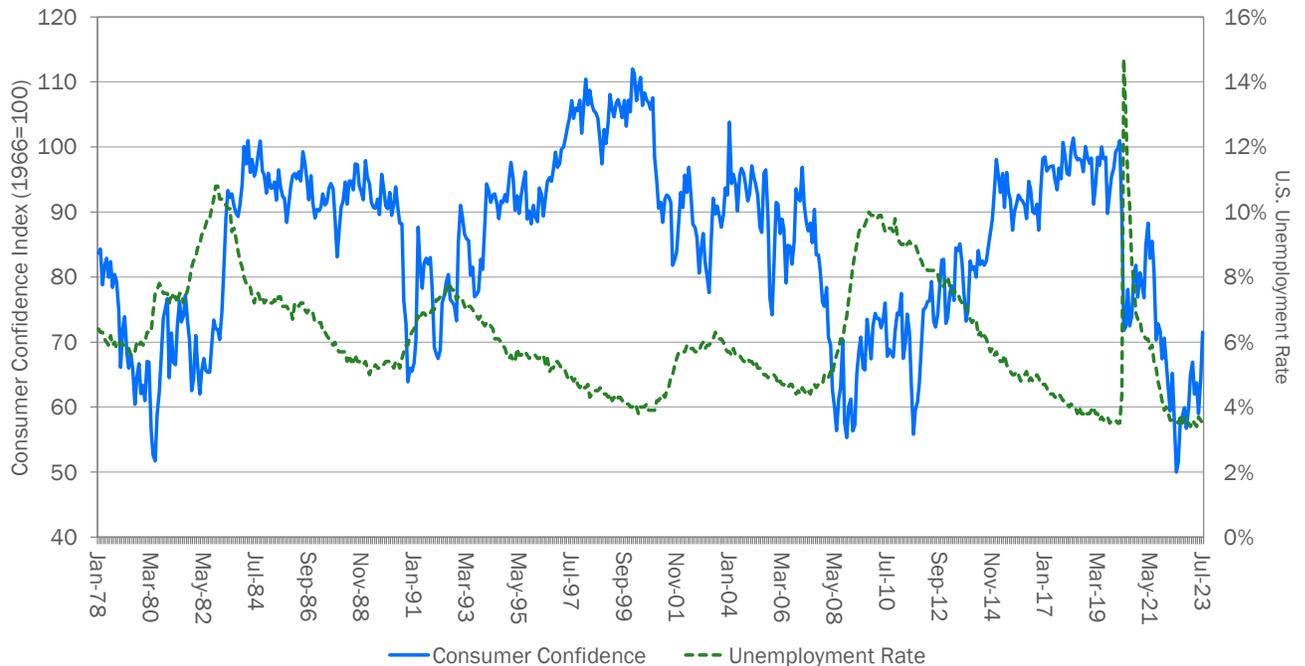
OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period ⁹⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Jul	71.5	64.2	51.5	11.4%	38.8%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Jul	\$76.07	\$70.25	\$101.62	8.3	(25.1)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Jul	1,451	1,418	1,371	2.3	5.8
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Jul	\$603.8	\$600.7	\$594.3	0.5	1.6
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Jul	103.3	102.3	103.1	1.0	0.2
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Jul	79.6	78.9	80.7	0.9	(1.4)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Jul	304.3	303.8	294.6	2.0	3.3
Detroit (not seasonally adjusted)	Jun	285.6	282.5	272.9	6.9	4.7
Interest Rates						
3-month Treasury Bill ⁴⁾	Jul	5.49%	5.42%	2.30%	--	--
30-year Conventional Mortgage ⁶⁾	Jul	6.84%	6.71%	5.41%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2017 \$, SAAR, Chain-Weighted)	2023 2nd Quarter	\$22,225.4	\$22,112.3	\$21,708.2	2.1	2.4
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Jul	\$2,854.3	\$3,034.2	\$2,880.5	NM	(0.9)

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 Confidence and the Unemployment Rate

2020s Exhibit Longest Period of Confidence Falling Despite Unemployment Declines



Source: University of Michigan Surveys of Consumers and U.S. Dept. of Labor.