

Michigan Economic Indicators

JUNE 2017



ECONOMIC HIGHLIGHTS



Employment increased to 153.2 million positions in June 2017, an increase of 0.2% from May 2017 and growth of 1.4% or 2.1 million jobs compared to June 2016. The labor force also expanded between June 2016 and June 2017, but at a slower 0.8% rate. With employment growth over the June 2016 to June 2017 period exceeding the growth in the labor force, the number of unemployed decreased by 10.5% and the unemployment rate declined from 4.9% in June 2016 to 4.4% in June 2017.

In June 2017, **light vehicle sales** totaled 16.7 million units at a seasonally adjusted annual rate. Sales were up slightly from May 2017 to June 2017; however, light vehicle sales declined by 1.9% from June 2016 to June 2017. U.S. **motor vehicle production** declined by 12.7% from May 2017 to June 2017 and was down 29% from June 2016 to June 2017.



In June 2017, Michigan workers' **average weekly hours** increased from June 2016 levels in most sectors of the economy, led by an 8.1% increase in the leisure and hospitality sector. Other sectors that grew included retail trade (3.3%), transportation equipment manufacturing (3.1%), construction (2.2%), health care and social assistance (1.9%), and wholesale trade (1.0%). Average weekly hours declined from June 2016 to June 2017 for financial activities (-2.8%), professional and business services (-2.5%), nondurable goods manufacturing (-2.2%), and information (-0.3%).

From June 2016 to June 2017, Michigan **average weekly earnings** increased by 17.9% for workers in the leisure and hospitality sector. Other sectors with growth in average weekly earnings from June 2016 to June 2017 included wholesale trade (8.6%), retail trade (5.3%), information (3.9%), and health care and social assistance (2.8%). Sectors with declines in average weekly earnings from June 2016 to June 2017 included construction (-4.5%), financial activities (-4.1%), professional and business services (-3.7%), and manufacturing (-0.1%).

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	June 2017	May 2017	June 2016	Change from May		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	160,145	159,784	158,889	361	0.2%	1,256	0.8%
Employment	153,168	152,923	151,090	245	0.2	2,078	1.4
Unemployment	6,977	6,861	7,799	116	1.7	(822)	(10.5)
Unemployment Rate	4.4%	4.3%	4.9%	--	--	--	--
Michigan	June 2017	May 2017	June 2016	Change from May		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,865	4,894	4,816	(30)	(0.6%)	49	1.0%
Employment	4,678	4,687	4,583	(9)	(0.2)	95	2.1
Unemployment	187	207	233	(20)	(9.8)	(46)	(19.6)
Unemployment Rate	3.8%	4.2%	4.8%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	June 2017*	May 2017	June 2016	Change from May		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,383	4,383	4,322	(0)	(0.0%)	61	1.4%
Goods Producing Industries	774	780	761	(6)	(0.7)	13	1.7
Mining and Logging	8	8	7	0	1.3	0	4.1
Construction	161	163	154	(3)	(1.7)	7	4.3
Manufacturing	606	609	600	(3)	(0.5)	6	1.0
Transportation Equipment	179	182	180	(3)	(1.8)	(1)	(0.7)
Service Producing Industries	3,609	3,604	3,561	5	0.1	48	1.4
Trade, Transportation & Utilities	782	778	783	4	0.5	(1)	(0.2)
Wholesale Trade	175	172	172	2	1.3	2	1.3
Retail Trade	469	468	474	1	0.1	(5)	(1.0)
Transportation & Utilities	138	137	137	1	0.9	1	1.0
Information	58	58	58	(0)	(0.7)	0	0.5
Financial Activities	219	217	212	2	0.7	7	3.1
Professional & Business Services	668	664	648	4	0.6	20	3.0
Education & Health Services	670	670	665	0	0.0	5	0.7
Leisure & Hospitality Services	433	435	424	(2)	(0.4)	9	2.2
Other Services	175	175	169	1	0.3	6	3.7
Government	604	607	602	(3)	(0.5)	2	0.4

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

MICHIGAN AVERAGE WEEKLY HOURS AND EARNINGS (Not seasonally adjusted)						
Industry	Average Weekly Hours			Average Weekly Earnings		
	June 2017	Year Ago	Percent Change	June 2017	Year Ago	Percent Change
Construction	42.6	41.7	2.2%	\$1,003.23	\$1,050.42	(4.5%)
Manufacturing	43.3	43.5	(0.5)	889.38	890.45	(0.1)
Durable Goods	44.1	44.1	0.0	940.65	944.18	(0.4)
Transportation Equipment Mfg.	47.1	45.7	3.1	1,104.02	1,095.43	0.8
Motor Vehicle Parts Mfg.	45.8	45.2	1.3	996.15	960.95	3.7
Nondurable Goods	40.9	41.8	(2.2)	735.38	728.16	1.0
Wholesale Trade	39.4	39.0	1.0	951.12	875.55	8.6
Retail Trade	31.0	30.0	3.3	445.16	422.70	5.3
Information	35.8	35.9	(0.3)	945.12	909.71	3.9
Financial Activities	35.0	36.0	(2.8)	791.00	824.76	(4.1)
Professional & Business Services	34.6	35.5	(2.5)	787.84	817.92	(3.7)
Health Care & Social Assistance	32.1	31.5	1.9	643.61	625.91	2.8
Leisure & Hospitality	24.0	22.2	8.1	283.90	240.87	17.9
Accommodation & Food Services	23.5	21.8	7.8	264.61	230.43	14.8

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)				
	June 2017	May 2017	Apr 2017	June 2016
Metropolitan Statistical Areas				
Ann Arbor	3.4%	2.9%	2.2%	3.9%
Battle Creek	4.4	3.9	3.6	4.8
Bay City	4.9	4.6	4.4	5.5
Detroit-Warren-Dearborn	3.7	3.6	4.0	5.7
Flint	5.0	4.5	4.3	5.6
Grand Rapids-Wyoming	3.2	2.8	2.4	3.8
Jackson	4.3	3.8	3.4	5.0
Kalamazoo-Portage	4.0	3.6	3.1	4.6
Lansing-East Lansing	4.3	3.3	2.9	4.4
Midland	4.1	3.8	3.6	4.7
Monroe	4.4	3.9	3.8	4.4
Muskegon	4.8	4.4	3.9	5.5
Niles-Benton Harbor	4.4	3.9	3.5	5.1
Saginaw	4.7	4.4	4.1	5.3
Multi-County Areas				
Northeast Lower Michigan	5.6	5.4	6.7	6.4
Northwest Lower Michigan	4.3	4.2	4.6	4.9
Upper Peninsula	5.4	5.2	5.8	6.2
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	4.0	3.7	3.7	5.2
Source: Michigan Department of Technology, Management, and Budget				

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	June 2017	May 2017	Apr 2017	Mar 2017	Year Ago June	Percent Change From:	
						June/May	June 2017/ June 2016
Motor Vehicle Sales¹⁾							
Autos	5,825	5,944	6,199	6,126	6,696	(2.0%)	(13.0%)
Domestics	4,432	4,621	4,832	4,703	4,998	(4.1)	(11.3)
Imports	1,393	1,323	1,367	1,423	1,698	5.3	(18.0)
Import Share	23.9%	22.3%	22.1%	23.2%	25.4%	----	----
Light Trucks	10,839	10,712	10,711	10,576	10,295	1.2	5.3
Domestics	8,530	8,334	8,412	8,403	8,132	2.4	4.9
Imports	2,309	2,378	2,299	2,173	2,163	(2.9)	6.7
Import Share	21.3%	22.2%	21.5%	20.5%	21.0%	----	----
Subtotal: Light Vehicle Sales	16,664	16,656	16,910	16,702	16,991	0.0	(1.9)
Heavy Trucks	416	391	408	382	395	6.4	5.3
Total Vehicle Sales	17,080	17,047	17,318	17,084	17,386	0.2	(1.8)
U.S. Motor Vehicle Production¹⁾							
Autos	2,968	3,398	3,486	3,056	4,182	(12.7)	(29.0)
Michigan Motor Vehicle Production²⁾							
Autos	595	643	605	670	1,113	(7.3)	(46.5)
Trucks	1,306	1,344	1,335	1,650	1,528	(2.9)	(14.5)
Total	1,901	1,987	1,941	2,321	2,641	(4.3)	(28.0)
Michigan Production as % of U.S.	18.6%	18.6%	18.6%	18.3%	22.2%	----	----
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,550	1,580	1,563	1,604	1,482	(1.9)	4.6
Days Supply	77	70	75	73	64	10.0	20.3
Total Truck	2,648	2,603	2,594	2,588	2,362	1.7	12.1
Days Supply	72	68	76	73	68	5.9	5.9
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. 3) Automotive News, Crain Communications, Inc. (ending inventory, not seasonally adjusted).							



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)	June	95.1	97.1	93.5	(2.1%)	1.7%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	June	\$45.18	\$48.48	\$48.76	(6.8)	(7.3)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	June	1,213	1,129	1,190	7.4	1.9
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	June	\$419.4	\$418.4	\$405.6	0.3	3.4
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	June	105.3	104.9	103.1	0.4	2.1
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	June	76.7	76.5	75.8	0.2	1.1
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	June	243.8	243.8	239.8	(0.3)	1.6
Detroit (not seasonally adjusted)	June	226.5	226.5	224.1	0.1	1.1
Interest Rates						
3-month Treasury Bill ⁴⁾	June	1.00%	0.90%	2.73%	--	--
30-year Conventional Mortgage ⁶⁾	June	3.90%	4.01%	3.57%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2017 2nd Quarter	\$17,030.0	\$16,903.2	\$16,663.5	3.0	2.2
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	June	\$2,169.2	\$1,840.9	\$1,873.7	NM	15.8

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. 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.

