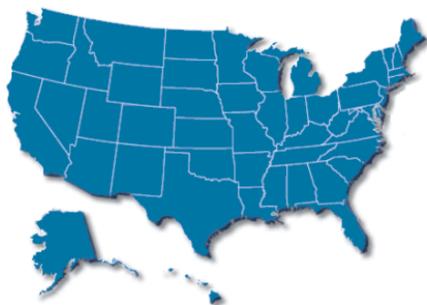


## ECONOMIC HIGHLIGHTS



**Gross domestic product (GDP)**, adjusted for inflation, increased at a 6.6% annual rate in the second quarter of 2021 after rising 6.3% in the first quarter of 2021. The increase in real GDP reflected increases in personal consumption expenditures, nonresidential fixed investment, exports, and state and local government spending partly offset by decreases in private inventory investment, residential fixed investment, and Federal government spending and increases in imports.

**The Consumer Price Index for used cars and trucks** increased 45.2% from June 2020 to June 2021, the largest year-over-year increase ever in the series going back to 1954. The next highest year-over-year increase was in March 1975 with a 32.9% increase. Used car prices have increased both because of increased demand due to increased household incomes as well as a shortage of available new cars.



The **Detroit Consumer Price Index** in June 2021 was 5.4% above the level in June 2020. The index for all items except food and energy increased 3.8% year over year, largely due to an increase in the price of used cars and trucks (up 45.8%) and shelter (up 5.0%). Food prices increased 5.9% and energy prices increased 24.9%, largely from the increase in the price of gasoline.

**Average weekly earnings** rose in all but one sector (financial activities) from June 2020 to June 2021, reflecting a recovery from the impact of the COVID-19 public health emergency. Motor vehicle parts manufacturing saw the largest gain, with earnings up 20.3% from a year ago. Information services (up 12.9%), nondurable goods manufacturing (up 10.6%), and health care and social assistance (up 10.5%) also saw strong gains. Financial activities was the only sector with a year-over-year decline, with earnings down 1.8% from June 2020.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	June 2021	May 2021	June 2020	Change from May		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	161,086	160,935	159,797	151	0.1%	1,289	0.8%
Employment	151,602	151,620	142,100	(18)	(0.0)	9,502	6.7
Unemployment	9,484	9,315	17,697	169	1.8	(8,213)	(46.4)
Unemployment Rate	5.9%	5.8%	11.1%	--	--	--	--
Michigan	June 2021	May 2021	June 2020	Change from May		Change from Year Ago	
Labor Force	4,719	4,711	4,917	8	0.2%	(198)	(4.0%)
Employment	4,484	4,476	4,222	8	0.2	263	6.2
Unemployment	235	235	695	(0)	(0.1)	(460)	(66.2)
Unemployment Rate	5.0%	5.0%	14.1%	--	--	--	--

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

# Michigan Economic Indicators

JUNE 2021



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	June 2021	May 2021	June 2020	Change from May		Change from Yr Ago	
				Number	Percent	Number	Percent
<b>Total Non-Agricultural Jobs</b>	4,135	4,117	3,858	17	0.4%	276	7.2%
<b>Goods Producing Industries</b>	754	753	720	1	0.2	35	4.8
Mining and Logging	7	7	6	0	0.0	1	13.1
Construction	177	177	163	(0)	(0.2)	14	8.5
Manufacturing	571	569	551	2	0.3	20	3.6
Transportation Equipment	173	174	170	(1)	(0.3)	3	2.1
<b>Service Producing Industries</b>	3,380	3,365	3,139	16	0.5	242	7.7
Trade, Transportation & Utilities	774	770	718	4	0.5	56	7.8
Wholesale Trade	164	164	156	0	0.0	7	4.7
Retail Trade	445	441	410	3	0.7	35	8.4
Transportation & Utilities	166	165	152	1	0.4	14	9.1
Information	49	50	49	(0)	(0.4)	1	1.4
Financial Activities	226	226	218	0	0.1	8	3.5
Professional & Business Services	620	617	565	3	0.4	55	9.7
Education & Health Services	643	641	613	2	0.2	30	4.8
Leisure & Hospitality Services	342	339	280	3	0.8	62	22.0
Other Services	146	146	131	0	0.3	15	11.5
Government	581	576	564	5	0.8	16	2.9

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		
	June 2021	Year Ago	Percent Change	June 2021	Year Ago	Percent Change
Construction	40.6	42.5	(4.5%)	\$1,268.34	\$1,261.40	0.6%
Manufacturing	40.5	39.4	2.8	928.26	871.53	6.5
Durable Goods	40.0	39.9	0.3	934.80	888.97	5.2
Transportation Equipment Mfg.	41.2	41.6	(1.0)	1,173.38	1,146.08	2.4
Motor Vehicle Parts Mfg.	41.1	39.1	5.1	1,093.26	908.68	20.3
Nondurable Goods	41.8	37.9	10.3	906.22	819.02	10.6
Wholesale Trade	39.3	37.2	5.6	1,003.33	965.71	3.9
Retail Trade	29.4	28.5	3.2	510.38	483.65	5.5
Information	39.2	37.4	4.8	1,072.12	949.96	12.9
Financial Activities	36.7	35.8	2.5	956.04	973.40	(1.8)
Professional & Business Services	35.2	36.0	(2.2)	963.78	942.48	2.3
Health Care & Social Assistance	31.3	28.5	9.8	720.21	651.80	10.5
Leisure & Hospitality	23.2	23.1	0.4	326.42	304.92	7.1
Accommodation & Food Services	23.7	23.7	0.0	327.30	310.71	5.3

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 2021	May 2021	Apr 2021	June 2020
<b>Metropolitan Statistical Areas</b>				
Ann Arbor	4.7%	4.6%	4.0%	9.2%
Battle Creek	6.8	6.8	6.0	12.7
Bay City	6.0	6.1	5.8	11.2
Detroit-Warren-Dearborn	4.8	4.6	3.7	18.7
Flint	7.5	7.5	6.9	13.9
Grand Rapids-Wyoming	4.8	4.8	4.2	10.1
Jackson	5.9	5.9	5.4	12.0
Kalamazoo-Portage	5.5	5.4	4.8	10.1
Lansing-East Lansing	5.5	5.6	5.5	9.5
Midland	4.9	4.9	4.5	9.2
Monroe	6.1	6.7	6.1	11.0
Muskegon	7.9	7.9	6.9	15.1
Niles-Benton Harbor	5.7	5.7	5.2	11.7
Saginaw	7.0	7.1	6.5	12.4
<b>Multi-County Areas</b>				
Northeast Lower Michigan	6.6	7.0	7.5	12.1
Northwest Lower Michigan	5.5	5.6	5.6	11.1
Upper Peninsula	5.4	5.8	5.8	10.3
<b>Michigan Statewide Average</b> (unadjusted - comparable to figures shown above)				
	5.3	5.2	4.6	14.2
<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)							
	June 2021	May 2021	Apr 2021	Mar 2021	Year Ago June	Percent Change From:	
						June/May	June 2021/ June 2020
<b>Motor Vehicle Sales<sup>1)</sup></b>							
Autos	3,614	3,930	4,107	3,844	2,889	(8.0%)	25.1%
Domestics	2,544	2,779	2,964	2,772	2,054	(8.5)	23.9
Imports	1,070	1,151	1,143	1,072	835	(7.0)	28.1
Import Share	29.6%	29.3%	27.8%	27.9%	28.9%	----	----
Light Trucks	11,860	12,961	14,194	13,795	10,205	(8.5)	16.2
Domestics	9,059	9,769	10,823	10,618	7,510	(7.3)	20.6
Imports	2,801	3,192	3,371	3,177	2,695	(12.2)	3.9
Import Share	23.6%	24.6%	23.7%	23.0%	26.4%	----	----
Subtotal: Light Vehicle Sales	15,474	16,891	18,301	17,639	13,094	(8.4)	18.2
Heavy Trucks	477	501	482	515	353	(4.8)	35.1
Total Vehicle Sales	15,951	17,392	18,783	18,154	13,447	(8.3)	18.6
<b>U.S. Motor Vehicle Production<sup>1)</sup></b>							
Autos	1,444	1,537	1,601	1,440	1,688	(6.1)	(14.5)
<b>Michigan Motor Vehicle Production<sup>2)</sup></b>							
Autos	65	54	69	151	158	20.8	(58.5)
Trucks	1,579	1,525	1,515	1,734	1,610	3.6	(1.9)
Total	1,644	1,579	1,584	1,886	1,767	4.1	(6.9)
Michigan Production as % of U.S.	19.6%	19.6%	18.5%	19.7%	20.0%	----	----
<b>Average Expenditure per Car<sup>1)</sup></b>							
Overall	\$ 30,774	\$ 29,694	\$ 28,954	\$ 28,362	\$ 27,587	3.6	11.6
Domestic	\$ 29,271	\$ 28,226	\$ 27,417	\$ 26,815	\$ 25,740	3.7	13.7
Foreign	\$ 34,314	\$ 33,237	\$ 32,937	\$ 32,362	\$ 32,130	3.2	6.8
<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)	June	85.5	82.9	78.1	3.1%	9.5%
<b>Oil Prices</b> <sup>2)</sup> (\$ per barrel, West Texas Intermediate Crude)	June	\$71.38	\$65.17	\$38.31	9.5	86.3
<b>Housing Starts, U.S.</b> <sup>3)</sup> (thousands of units, SAAR)	June	1,650	1,594	1,273	3.5	29.6
<b>Retail Sales, U.S.</b> <sup>3)</sup> (billions, seasonally adjusted)	June	\$553.7	\$550.8	\$475.7	0.5	16.4
<b>Industrial Production Index</b> <sup>4)</sup> (2007=100, seasonally adjusted)	June	100.2	100.0	91.2	0.2	9.9
<b>Capacity Utilization</b> <sup>4)</sup> (% of total capacity, seasonally adjusted)	June	75.4	75.3	68.7	0.2	9.9
<b>Consumer Price Index</b> <sup>5)</sup> (1982-84=100)						
U.S. (seasonally adjusted)	June	271.0	268.6	257.3	11.4	5.3
Detroit (not seasonally adjusted)	June	248.9	244.7	236.1	10.7	5.4
<b>Interest Rates</b>						
3-month Treasury Bill <sup>4)</sup>	June	0.04%	0.02%	0.16%	--	--
30-year Conventional Mortgage <sup>6)</sup>	June	2.98%	2.96%	3.16%	--	--
<b>Real Gross Domestic Product</b> <sup>7)</sup> (billions of 2009 \$, SAAR, Chain-Weighted)	2021 2nd Quarter	\$19,360.6	\$19,055.7	\$17,258.2	6.6	12.2
<b>Michigan Tax Collections</b> <sup>8)</sup> (12 major taxes, millions)	June	\$2,793.3	\$2,879.2	\$2,125.7	NM	31.4

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.

