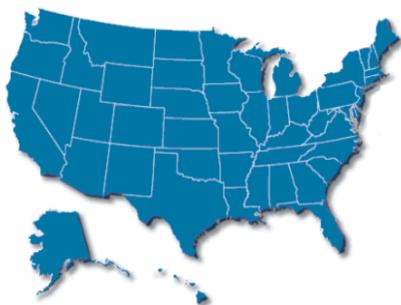


Michigan Economic Indicators

JUNE 2023



ECONOMIC HIGHLIGHTS



In June 2023, seasonally adjusted **light vehicle sales** at an annual rate rose 3.5% from the sales level in May 2023 and were up 21.0% compared to June 2022. The 16.1 million unit annual rate in June 2023 was the strongest since the May 2021 rate of 17.1 million units. Compared to June 2022, automobiles sales were up 13.2% while light truck sales were up 23.1%, with a 32.1% increase in sales of imported light trucks exhibiting the largest increase of any vehicle sales segment.

Seasonally adjusted **housing starts** decreased 10.4% from May 2023 to June 2023 and were down 9.2% compared to June 2022. On a regional basis, compared to June 2022, starts were down 22.8% in the Northeast, 18.5% in the Midwest, 6.3% in the West, and 6.1% in the South.



The **Michigan unemployment rate** declined from 3.7% in May 2023 to 3.6% in June 2023 and was down from the 4.0% rate in June 2022. The June 2023 rate reflected the lowest unemployment rate in Michigan since May 2000 (which was two months after Michigan's all-time record employment level of 5.0 million in March 2000). Compared to June 2022, **employment** was up by 89,000 jobs. Although the June 2023 unemployment rate was on par with the values during early 2000, employment was still 251,000 below the March 2000 peak.

Michigan's inflation-adjusted **gross domestic product (GDP)** increased 1.6% in 2022, after growing 5.8% in 2021. Among major sectors, the arts/entertainment/recreation sector grew most rapidly, expanding 13.4%, in part due to the 13.2% growth in the accommodations and food services subsector. Partially offsetting that growth, the wholesale trade sector exhibited the greatest decline, contracting 5.6%. The manufacturing sector expanded 0.9% in 2022.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	June 2023	May 2023	June 2022	Change from May		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	166,951	166,818	164,002	133	0.1%	2,949	1.8%
Employment	160,994	160,721	158,057	273	0.2	2,937	1.9
Unemployment	5,957	6,097	5,945	(140)	(2.3)	12	0.2
Unemployment Rate	3.6%	3.7%	3.6%	--	--	--	--
Michigan	June 2023	May 2023	June 2022	Change from May		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,918	4,895	4,848	23	0.5%	71	1.5%
Employment	4,742	4,716	4,653	27	0.6	89	1.9
Unemployment	176	179	194	(3)	(1.8)	(18)	(9.4)
Unemployment Rate	3.6%	3.7%	4.0%	--	--	--	--

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

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MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	June 2023	May 2023	June 2022	Change from May		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,439	4,437	4,364	2	0.0%	75	1.7%
Goods Producing Industries	807	807	796	0	0.0	11	1.4
Mining and Logging	7	8	7	(0)	(2.6)	0	5.7
Construction	192	191	184	1	0.4	8	4.2
Manufacturing	608	609	606	(1)	(0.1)	3	0.5
Transportation Equipment	186	186	187	(0)	(0.2)	(0)	(0.2)
Service Producing Industries	3,632	3,630	3,567	2	0.1	65	1.8
Trade, Transportation & Utilities	809	815	805	(6)	(0.7)	5	0.6
Wholesale Trade	180	181	172	(1)	(0.6)	8	4.7
Retail Trade	455	458	455	(3)	(0.7)	(0)	(0.1)
Transportation & Utilities	174	176	178	(1)	(0.7)	(3)	(1.8)
Information	57	57	56	0	0.2	0	0.4
Financial Activities	229	228	232	1	0.5	(3)	(1.2)
Professional & Business Services	668	667	660	1	0.1	8	1.3
Education & Health Services	681	678	659	4	0.5	22	3.4
Leisure & Hospitality Services	416	417	403	(1)	(0.2)	13	3.2
Other Services	160	160	164	0	0.1	(4)	(2.4)
Government	611	608	588	3	0.4	23	3.9

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 2023	Year Ago	Percent Change	June 2023	Year Ago	Percent Change
Construction	40.9	40.1	2.0%	\$1,369.74	\$1,293.63	5.9%
Manufacturing	41.1	41.9	(1.9)	1,079.70	1,037.03	4.1
Durable Goods	42.0	42.0	0.0	1,141.56	1,071.42	6.5
Transportation Equipment Mfg.	43.6	41.1	6.1	1,299.72	1,194.78	8.8
Motor Vehicle Parts Mfg.	41.3	43.0	(4.0)	1,149.79	1,194.11	(3.7)
Nondurable Goods	38.3	41.6	(7.9)	889.33	937.25	(5.1)
Wholesale Trade	38.9	39.7	(2.0)	1,223.02	1,191.00	2.7
Retail Trade	29.0	29.2	(0.7)	538.82	529.10	1.8
Information	36.4	36.5	(0.3)	1,387.57	1,132.96	22.5
Financial Activities	36.8	37.4	(1.6)	1,018.62	1,028.13	(0.9)
Professional & Business Services	35.3	35.7	(1.1)	1,034.29	1,071.00	(3.4)
Health Care & Social Assistance	31.9	31.8	0.3	820.15	797.23	2.9
Leisure & Hospitality	22.8	23.2	(1.7)	392.39	380.71	3.1
Accommodation & Food Services	23.4	23.7	(1.3)	405.29	383.47	5.7

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 2023	May 2023	Apr 2023	June 2022
Metropolitan Statistical Areas				
Ann Arbor	3.9%	3.6%	2.5%	4.3%
Battle Creek	4.9	4.6	3.7	5.3
Bay City	5.1	4.9	4.3	5.5
Detroit-Warren-Dearborn	3.7	3.1	2.0	3.9
Flint	5.4	5.1	4.3	5.8
Grand Rapids-Wyoming	3.7	3.4	2.6	4.0
Jackson	4.4	4.2	3.3	4.8
Kalamazoo-Portage	4.4	4.1	3.2	4.6
Lansing-East Lansing	4.3	3.9	2.9	4.6
Midland	4.3	4.1	3.4	4.8
Monroe	4.5	4.8	3.3	5.5
Muskegon	5.0	4.7	3.7	5.3
Niles-Benton Harbor	4.6	4.3	3.4	4.9
Saginaw	5.5	5.3	4.5	5.9
Multi-County Areas				
Northeast Lower Michigan	5.7	5.8	6.3	6.2
Northwest Lower Michigan	4.3	4.5	4.4	4.6
Upper Peninsula	5.3	5.5	5.4	5.5
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	4.1	3.8	2.9	4.4
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)							
	June 2023	May 2023	Apr 2023	Mar 2023	Year Ago June	Percent Change From:	
						June/May	June 2023/ June 2022
Motor Vehicle Sales¹⁾							
Autos	3,128	3,164	3,213	3,020	2,764	(1.1%)	13.2%
Domestics	2,328	2,333	2,336	2,185	2,027	(0.2)	14.8
Imports	800	831	877	835	737	(3.7)	8.5
Import Share	25.6%	26.3%	27.3%	27.6%	26.7%	----	----
Light Trucks	12,926	12,351	12,465	11,912	10,501	4.7	23.1
Domestics	10,317	9,994	10,067	9,653	8,526	3.2	21.0
Imports	2,609	2,357	2,398	2,259	1,975	10.7	32.1
Import Share	20.2%	19.1%	19.2%	19.0%	18.8%	----	----
Subtotal: Light Vehicle Sales	16,054	15,515	15,678	14,932	13,265	3.5	21.0
Heavy Trucks	548	565	532	509	482	(3.0)	13.7
Total Vehicle Sales	16,602	16,080	16,210	15,441	13,747	3.2	20.8
U.S. Motor Vehicle Production¹⁾							
Autos	1,794	1,853	1,990	1,834	1,718	(3.2)	4.4
Michigan Motor Vehicle Production²⁾							
Autos	178	173	177	197	266	2.6	(33.3)
Trucks	2,050	2,048	1,888	1,832	2,055	0.1	(0.2)
Total	2,227	2,221	2,065	2,029	2,321	0.3	(4.0)
Michigan Production as % of U.S.	19.9%	19.1%	18.8%	19.6%	21.4%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 31,790	\$ 31,965	\$ 32,371	\$ 32,049	\$ 33,414	(0.5)	(4.9)
Domestic	\$ 28,552	\$ 28,444	\$ 28,305	\$ 28,267	\$ 30,817	0.4	(7.3)
Foreign	\$ 41,216	\$ 41,849	\$ 43,200	\$ 41,942	\$ 40,554	(1.5)	1.6
Inventory-to-Sales Ratio	0.801	0.721	0.700	0.690	0.535	11.1	49.7
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.							



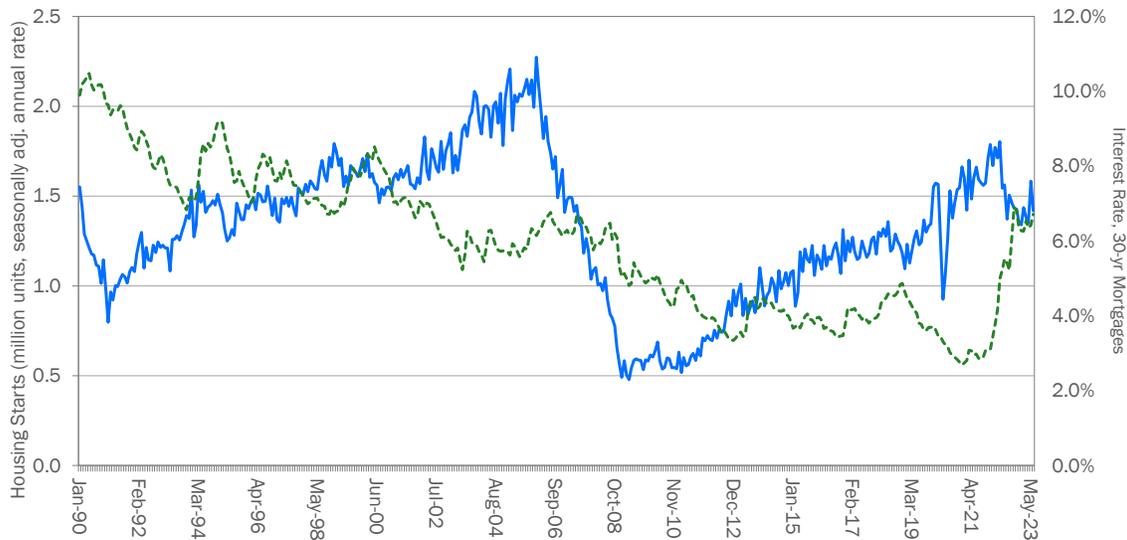
OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period ⁹⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Jun	64.4	59.2	50.0	8.8%	28.8%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Jun	\$70.25	\$71.58	\$114.84	(1.9)	(38.8)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Jun	1,418	1,583	1,561	(10.4)	(9.2)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Jun	\$600.7	\$600.0	\$598.4	0.1	0.4
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Jun	102.3	102.8	102.7	(0.5)	(0.4)
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Jun	78.9	79.5	80.5	(0.7)	(1.9)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Jun	303.8	303.3	294.7	2.2	3.1
Detroit (not seasonally adjusted)	Jun	285.6	282.5	272.9	6.9	4.7
Interest Rates						
3-month Treasury Bill ⁴⁾	Jun	5.42%	5.31%	1.54%	--	--
30-year Conventional Mortgage ⁶⁾	Jun	6.71%	6.43%	5.52%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2017 \$, SAAR, Chain-Weighted)	2023 1st Quarter	\$22,112.3	\$21,990.0	\$21,738.9	2.2	1.7
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Jun	\$3,034.2	\$2,524.0	\$3,101.0	NM	(2.2)

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.

Housing Starts and Mortgage Rates

Both Aspects of the Housing Market Similar to the Market in the Mid-to-Late 1990s



Source: Bureau of the Census, U.S. Dept. of Commerce and Freddie Mac.