

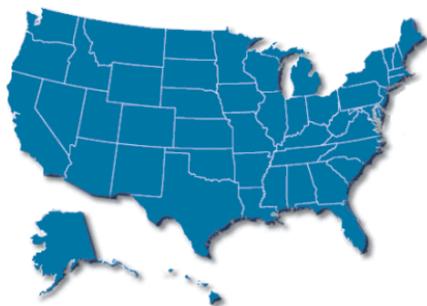
Michigan

Economic Indicators

MARCH 2019



ECONOMIC HIGHLIGHTS



Gross domestic product (GDP), adjusted for inflation, increased at a 3.2% annual rate in the first quarter of 2019, compared to 2.2% growth in the fourth quarter of 2018. The first quarter increase in real GDP growth (when compared to the previous quarter) reflected accelerations in private inventory investment and exports, a decrease in imports, and a smaller decrease in residential investment. This was partially offset by a deceleration in personal consumption expenditures and nonresidential fixed investment.

Housing starts totaled 1.1 million units, at a seasonally adjusted annual rate, in March 2019, down 0.3% from February 2019, and 14.2% below the level in March 2018. Compared to March 2018, housing starts for single family homes decreased 11.0% in March 2019, and starts with five or more units fell 21.8%. By region, from March 2018 to March 2019, housing starts decreased 28.3% in the Northeast, 28.0% in the Midwest, 19.5% in the West, and 4.1% in the South.



In March 2019, **revenue from Michigan's major taxes** totaled \$1.34 billion, down 5.5% (\$77.5 million) from March 2018. The decrease was largely driven by lower use tax (\$42.8 million) collections, and larger Michigan Business Tax (\$109.9 million) and Single Business Tax (\$70.1 million) refunds, partially offset by increased Corporate Income Tax (\$85.6 million) and sales tax (\$43.7 million) collections.

Compared to March 2018, **average weekly hours** in March 2019 fell in most sectors. Average hours in the information sector were 4.9% below the level in March 2018, while hours in the transportation equipment manufacturing sector were down 3.9%. At the other end of the spectrum, average hours rose 1.4% in the professional and business services sector.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)

U.S.	Mar 2019	Feb 2019	Mar 2018	Change from Feb		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	162,960	163,184	161,646	(224)	(0.1%)	1,314	0.8%
Employment	156,748	156,949	155,160	(201)	(0.1)	1,588	1.0
Unemployment	6,212	6,235	6,486	(23)	(0.4)	(274)	(4.2)
Unemployment Rate	3.8%	3.8%	4.0%	--	--	--	--
Michigan	Mar 2019	Feb 2019	Mar 2018	Change from Feb		Change from Year Ago	
Labor Force	4,937	4,926	4,905	11	0.2%	31	0.6%
Employment	4,738	4,731	4,691	8	0.2	47	1.0
Unemployment	198	195	214	3	1.6	(16)	(7.4)
Unemployment Rate	4.0%	4.0%	4.4%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Mar* 2019	Feb 2019	Mar 2018	Change from Feb		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,443	4,445	4,418	(2)	(0.1%)	26	0.6%
Goods Producing Industries	818	818	804	(1)	(0.1)	14	1.7
Mining and Logging	7	7	7	0	1.4	(0)	(1.4)
Construction	172	173	168	(0)	(0.2)	4	2.6
Manufacturing	638	638	629	(1)	(0.1)	9	1.5
Transportation Equipment	197	196	193	0	0.2	4	1.9
Service Producing Industries	3,626	3,627	3,614	(1)	(0.0)	12	0.3
Trade, Transportation & Utilities	796	797	790	(1)	(0.1)	6	0.7
Wholesale Trade	172	172	172	0	0.2	0	0.0
Retail Trade	469	470	472	(1)	(0.3)	(3)	(0.6)
Transportation & Utilities	155	155	146	0	0.0	9	5.9
Information	57	57	56	1	0.9	1	2.2
Financial Activities	222	222	219	(0)	(0.0)	4	1.7
Professional & Business Services	660	662	661	(2)	(0.2)	(1)	(0.1)
Education & Health Services	677	677	681	1	0.1	(3)	(0.5)
Leisure & Hospitality Services	440	440	435	0	0.1	5	1.1
Other Services	168	168	166	0	0.1	2	1.3
Government	605	606	607	(1)	(0.1)	(2)	(0.3)

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		
	Mar 2019*	Year Ago	Percent Change	Mar 2019*	Year Ago	Percent Change
Construction	38.4	38.7	(0.8%)	\$1,043.33	\$1,015.10	2.8%
Manufacturing	42.5	43.8	(3.0)	930.75	919.36	1.2
Durable Goods	43.3	44.7	(3.1)	981.61	975.80	0.6
Transportation Equipment Mfg.	47.2	49.1	(3.9)	1,205.96	1,192.64	1.1
Motor Vehicle Parts Mfg.	46.9	48.6	(3.5)	1,081.98	1,062.88	1.8
Nondurable Goods	39.8	41.1	(3.2)	764.16	747.20	2.3
Wholesale Trade	38.5	39.3	(2.0)	1,032.96	1,046.17	(1.3)
Retail Trade	29.6	30.0	(1.3)	441.04	436.50	1.0
Information	33.2	34.9	(4.9)	906.69	946.49	(4.2)
Financial Activities	35.6	35.5	0.3	903.88	832.83	8.5
Professional & Business Services	35.1	34.6	1.4	904.88	815.18	11.0
Health Care & Social Assistance	32.5	32.4	0.3	728.00	685.26	6.2
Leisure & Hospitality	22.3	22.9	(2.6)	281.65	283.96	(0.8)
Accommodation & Food Services	22.3	22.9	(2.6)	275.85	276.86	(0.4)

Source: Bureau of Labor Statistics, U.S. Department of Labor *Preliminary



MICHIGAN UNEMPLOYMENT RATES BY SELECTED METROPOLITAN AREAS AND MULTI-COUNTY AREAS (Not Adjusted for Seasonal Variations)				
	Mar 2019	Feb 2019	Jan 2019	Mar 2018
Metropolitan Statistical Areas				
Ann Arbor	3.0%	2.7%	2.9%	2.9%
Battle Creek	4.4	4.1	4.4	4.7
Bay City	5.3	5.1	5.7	5.8
Detroit-Warren-Dearborn	4.4	4.0	4.6	4.4
Flint	5.2	4.9	5.4	5.5
Grand Rapids-Wyoming	3.2	2.9	3.1	3.3
Jackson	4.1	3.9	4.2	4.3
Kalamazoo-Portage	3.9	3.6	3.9	4.2
Lansing-East Lansing	3.6	3.3	4.0	3.7
Midland	4.3	4.0	4.3	4.8
Monroe	4.1	4.2	4.4	4.0
Muskegon	4.6	4.2	4.6	5.1
Niles-Benton Harbor	4.5	4.4	4.8	4.9
Saginaw	5.3	5.1	5.6	5.5
Multi-County Areas				
Northeast Lower Michigan	8.8	8.4	9.0	9.6
Northwest Lower Michigan	5.8	5.6	5.9	6.4
Upper Peninsula	6.6	6.2	6.8	7.1
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	4.4	4.1	4.6	4.5

Source: Michigan Department of Technology, Management, and Budget

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Mar 2019	Feb 2019	Jan 2019	Dec 2018	Year Ago Mar	Percent Change From:	
						Mar/Feb	Mar 2019/ Mar 2018
Motor Vehicle Sales¹⁾							
Autos	5,084	4,871	5,313	5,171	5,368	4.4%	(5.3%)
Domestics	3,938	3,766	4,147	4,040	4,122	4.6	(4.5)
Imports	1,146	1,105	1,166	1,131	1,246	3.7	(8.0)
Import Share	22.5%	22.7%	21.9%	21.9%	23.2%	----	----
Light Trucks	12,392	11,665	11,376	12,321	11,865	6.2	4.4
Domestics	9,733	8,932	8,768	9,493	9,101	9.0	6.9
Imports	2,659	2,733	2,608	2,828	2,764	(2.7)	(3.8)
Import Share	21.5%	23.4%	22.9%	23.0%	23.3%	----	----
Subtotal: Light Vehicle Sales	17,476	16,536	16,689	17,492	17,233	5.7	1.4
Heavy Trucks	516	504	532	511	476	2.4	8.4
Total Vehicle Sales	17,992	17,040	17,221	18,003	17,709	5.6	1.6
U.S. Motor Vehicle Production¹⁾							
Autos	2,442	2,666	2,845	3,053	2,981	(8.4)	(18.1)
Michigan Motor Vehicle Production²⁾							
Autos	327	293	279	299	649	11.5	(49.6)
Trucks	1,603	1,549	1,748	1,452	1,440	3.5	11.3
Total	1,929	1,842	2,026	1,752	2,088	4.8	(7.6)
Michigan Production as % of U.S.	18.9%	17.4%	16.6%	15.6%	18.3%	----	----
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,118	1,138	1,109	1,102	1,279	(1.7)	(12.6)
Days Supply	62	72	76	62	66	(13.9)	(6.1)
Total Truck	3,070	2,990	2,907	2,819	2,787	2.7	10.2
Days Supply	74	81	93	62	70	(8.6)	5.7

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. 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)	Mar	98.4	93.8	101.4	4.9%	(3.0%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Mar	\$58.15	\$54.95	\$62.73	5.8	(7.3)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Mar	1,139	1,142	1,327	(0.3)	(14.2)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Mar	\$453.0	\$445.5	\$437.5	1.7	3.5
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Mar	110.2	110.3	107.3	(0.1)	2.8
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Mar	78.8	79.0	78.2	(0.3)	0.8
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Mar	254.1	253.1	249.5	5.0	1.9
Detroit (not seasonally adjusted)	Feb	232.5	231.7	229.7	2.2	1.2
Interest Rates						
3-month Treasury Bill ⁴⁾	Mar	2.45%	2.44%	1.73%	--	--
30-year Conventional Mortgage ⁶⁾	Mar	4.27%	4.37%	4.44%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2019 1st Quarter	\$18,912.3	\$18,765.3	\$18,324.0	3.2	3.2
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Mar	\$1,339.7	\$1,073.8	\$1,417.2	NM	(5.5)

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.

