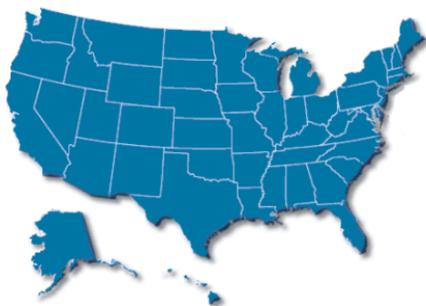


Michigan Economic Indicators

MAY 2019



ECONOMIC HIGHLIGHTS



Seasonally adjusted **retail sales** in May 2019 were up 2.7% from the level in May 2018, reflecting an 11.4% increase in sales from nonstore retailers (i.e. online sales), and gains from most other sectors. All sectors, except for sporting goods/hobby/musical instrument/book stores (down 4.2%), miscellaneous store retailers (down 2.6%), electronics and appliance stores (down 2.4%), and clothing and clothing accessories stores (down 2.3%) exhibited gains.

The **index of industrial production**, which measures the real output of the manufacturing, mining, and utility sectors, increased 0.4% in May 2019 after falling 0.4% in April. The index increased 2.1% from May 2018 to May 2019. The index for manufacturing gained 0.2% in May, compared to the previous month, while the mining index climbed 0.1%. The index for utilities increased 2.1% from April to May. When looking at the gains from May 2018 to May 2019, manufacturing increased 0.7%, utilities climbed 0.2%, and the mining index increased 10.0%.



Michigan inflation-adjusted **gross domestic product (GDP)** increased 2.7% in 2018, ranking Michigan's GDP growth rate 14th among the 50 states, and higher than other Great Lakes states. Wisconsin grew 2.5% (17th), while Illinois grew 2.1% (23rd), followed by Indiana at 1.9% (30th), and Ohio at 1.8% (32nd). Growth in the durable goods manufacturing sector accounted for more than 40% of Michigan's growth in 2018, the most of any sector. Six sectors (agriculture, mining, finance, education, recreation, and government) exhibited negative growth in 2018.

Average weekly hours fell or stayed the same in all industry sectors from May 2018 to May 2019, with the manufacturing, wholesale trade, and leisure and hospitality sectors all exhibiting declines of at least 3.0%. However, most sectors exhibited growth in **average weekly earnings**. Exceptions included the wholesale trade sector, in which wages decreased 4.8%, the leisure and hospitality sector (down 1.6%), the information sector (down 1.0%), and the durable goods manufacturing sector (down 0.5%).

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	May 2019	Apr 2019	May 2018	Change from Apr		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	162,646	162,470	161,667	176	0.1%	979	0.6%
Employment	156,758	156,645	155,539	113	0.1	1,219	0.8
Unemployment	5,888	5,825	6,128	63	1.1	(240)	(3.9)
Unemployment Rate	3.6%	3.6%	3.8%	--	--	--	--
Michigan	May 2019	Apr 2019	May 2018	Change from Apr		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,953	4,947	4,904	6	0.1%	49	1.0%
Employment	4,746	4,746	4,700	1	0.0	46	1.0
Unemployment	207	202	204	5	2.7	3	1.7
Unemployment Rate	4.2%	4.1%	4.2%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	May 2019	Apr 2019	May 2018	Change from Apr		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,441	4,445	4,415	(4)	(0.1%)	26	0.6%
Goods Producing Industries	813	815	805	(3)	(0.3)	8	1.0
Mining and Logging	7	7	7	(0)	(1.4)	0	0.0
Construction	172	173	169	(1)	(0.8)	3	1.7
Manufacturing	634	635	628	(1)	(0.2)	5	0.8
Transportation Equipment	194	196	192	(2)	(1.1)	2	1.0
Service Producing Industries	3,629	3,630	3,610	(1)	(0.0)	18	0.5
Trade, Transportation & Utilities	792	796	791	(5)	(0.6)	1	0.1
Wholesale Trade	173	173	172	0	0.2	1	0.8
Retail Trade	465	469	472	(4)	(0.9)	(7)	(1.5)
Transportation & Utilities	154	155	147	(1)	(0.4)	7	4.5
Information	58	57	56	1	1.2	2	3.8
Financial Activities	222	222	218	0	0.0	4	1.7
Professional & Business Services	663	659	659	4	0.6	4	0.5
Education & Health Services	674	676	680	(2)	(0.3)	(6)	(0.9)
Leisure & Hospitality Services	443	442	434	2	0.4	10	2.2
Other Services	170	170	167	0	0.1	3	1.7
Government	607	608	606	(1)	(0.1)	1	0.2

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		
	May 2019	Year Ago	Percent Change	May 2019	Year Ago	Percent Change
Construction	40.3	40.9	(1.5%)	\$1,128.80	\$1,074.03	5.1%
Manufacturing	42.1	43.4	(3.0)	927.04	918.78	0.9
Durable Goods	42.6	44.3	(3.8)	971.28	975.93	(0.5)
Transportation Equipment Mfg.	45.5	47.9	(5.0)	1,172.99	1,162.53	0.9
Motor Vehicle Parts Mfg.	46.7	47.8	(2.3)	1,082.04	1,035.35	4.5
Nondurable Goods	40.5	40.5	0.0	783.27	739.94	5.9
Wholesale Trade	37.7	40.0	(5.7)	1,010.36	1,061.20	(4.8)
Retail Trade	30.0	30.6	(2.0)	456.00	451.35	1.0
Information	33.9	34.0	(0.3)	919.03	928.54	(1.0)
Financial Activities	35.1	35.1	0.0	907.34	830.47	9.3
Professional & Business Services	34.8	35.0	(0.6)	899.23	828.45	8.5
Health Care & Social Assistance	32.2	32.7	(1.5)	723.86	698.80	3.6
Leisure & Hospitality	23.0	23.7	(3.0)	292.10	296.96	(1.6)
Accommodation & Food Services	23.2	23.7	(2.1)	289.30	288.19	0.4

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)				
	May 2019	Apr 2019	Mar 2019	May 2018
Metropolitan Statistical Areas				
Ann Arbor	2.9%	2.5%	3.0%	2.8%
Battle Creek	3.8	3.7	4.4	3.7
Bay City	4.3	4.3	5.3	4.3
Detroit-Warren-Dearborn	4.3	3.9	4.4	3.5
Flint	5.6	4.3	5.2	4.3
Grand Rapids-Wyoming	2.8	2.5	3.2	2.7
Jackson	3.4	3.3	4.1	3.5
Kalamazoo-Portage	3.3	3.1	3.9	3.3
Lansing-East Lansing	3.1	2.9	3.6	3.1
Midland	3.4	3.4	4.3	3.5
Monroe	4.0	3.5	4.1	3.7
Muskegon	3.9	3.7	4.6	4.1
Niles-Benton Harbor	3.8	3.6	4.5	3.8
Saginaw	4.6	4.3	5.3	4.2
Multi-County Areas				
Northeast Lower Michigan	5.0	6.7	8.8	5.4
Northwest Lower Michigan	3.8	4.7	5.8	4.2
Upper Peninsula	4.9	5.7	6.6	5.1
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	3.9	3.7	4.4	3.5

Source: Michigan Department of Technology, Management, and Budget

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	May 2019	Apr 2019	Mar 2019	Feb 2019	Year Ago May	Percent Change From:	
						May/Apr	May 2019/ May 2018
Motor Vehicle Sales¹⁾							
Autos	4,869	4,776	4,960	4,715	5,389	1.9%	(9.6%)
Domestics	3,611	3,578	3,811	3,609	4,080	0.9	(11.5)
Imports	1,258	1,198	1,149	1,106	1,309	5.0	(3.9)
Import Share	25.8%	25.1%	23.2%	23.5%	24.3%	----	----
Light Trucks	12,527	11,594	12,388	11,668	11,806	8.0	6.1
Domestics	9,942	9,193	9,729	8,935	8,987	8.1	10.6
Imports	2,585	2,401	2,659	2,733	2,819	7.7	(8.3)
Import Share	20.6%	20.7%	21.5%	23.4%	23.9%	----	----
Subtotal: Light Vehicle Sales	17,396	16,370	17,348	16,383	17,195	6.3	1.2
Heavy Trucks	537	547	516	504	461	(1.8)	16.5
Total Vehicle Sales	17,933	16,917	17,864	16,887	17,656	6.0	1.6
U.S. Motor Vehicle Production¹⁾							
Autos	2,579	2,444	2,366	2,605	2,720	5.5	(5.2)
Michigan Motor Vehicle Production²⁾							
Autos	255	270	327	293	390	(5.5)	(34.6)
Trucks	1,768	1,716	1,603	1,549	1,324	3.0	33.5
Total	2,022	1,986	1,929	1,842	1,714	1.9	18.0
Michigan Production as % of U.S.	18.2%	18.3%	18.9%	17.4%	17.5%	----	----
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,023	1,082	1,118	1,138	1,216	(5.5)	(15.9)
Days Supply	59	69	62	72	63	(14.5)	(6.3)
Total Truck	2,970	3,039	3,070	2,990	2,746	(2.3)	8.1
Days Supply	68	81	74	81	66	(16.0)	3.0

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)	May	100.0	97.2	98.0	2.9%	2.0%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	May	\$60.83	\$63.86	\$69.98	(4.7)	(13.1)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	May	1,265	1,270	1,332	(0.4)	(5.0)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	May	\$453.7	\$452.2	\$441.6	0.3	2.7
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	May	109.6	109.2	107.4	0.4	2.1
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	May	78.1	77.9	78.1	0.2	0.0
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	May	255.2	255.0	250.6	0.9	1.8
Detroit (not seasonally adjusted)	Apr	234.0	232.5	231.8	3.9	1.0
Interest Rates						
3-month Treasury Bill ⁴⁾	May	2.40%	2.43%	1.90%	--	--
30-year Conventional Mortgage ⁶⁾	May	4.07%	4.14%	4.59%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2019 1st Quarter	\$18,910.3	\$18,765.3	\$18,324.0	3.1	3.2
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	May	\$1,912.6	\$2,729.0	\$1,811.1	NM	5.6

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.

