

ECONOMIC HIGHLIGHTS



In May 2022, seasonally adjusted **light vehicle sales** at an annual rate declined 11.9% from the sales level in April 2022, and down 24.6% compared to May 2021, the lowest level since September 2021. All categories of light vehicle sales declined, whether categorized as domestic or imported and/or automobiles or light trucks. Imported light trucks exhibited the greatest annual decline, dropping 43.2% from May 2021 sales.

The United States **current account deficit**, which reflects the combined balances on trade in goods and services as well as income flows between U.S. residents and residents of other countries, decreased \$31.5 billion (11.1%) between the first quarter of 2022 and the second quarter. The deficit totaled \$251.1 billion, representing 4.0% of Gross Domestic Product (GDP), down from 4.6% in the first quarter of 2022. The largest component of the current account deficit is the trade deficit, which decreased by \$29.3 billion, as the deficit in goods fell by more (\$31.1 billion) than the surplus in services declined (\$1.8 billion). Since data begin in 1960, the current account deficit's largest share of GDP was 6.3%, during the third quarter of 2006.



Seasonally adjusted **Michigan employment** increased in May 2022 to 4,642,000 from 4,624,000 the prior month, an increase of 18,000 jobs. Between May 2021 and May 2022, Michigan employment increased by 3.8%, or 169,000 jobs. Michigan employment in May 2022 was at the highest level since March 2020, although it was still 2.7% (132,000 jobs) below the November 2019 peak (which at that time was the highest level since November 2001).

Regional unemployment rates increased month-over-month in May 2022 in all Michigan metropolitan statistical areas except for the Bay City metropolitan area, which decreased by 0.1 percentage point. The largest increases were in the Lansing-East Lansing and Detroit-Warren-Dearborn metropolitan areas, which both increased 0.7 percentage points. Compared to May 2021, all metropolitan areas experienced a decrease in unemployment rates, with the Muskegon metropolitan area experiencing the largest decrease (2.9 percentage points). Regional unemployment rates are not adjusted for seasonality.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	May 2022	Apr 2022	May 2021	Change from Apr		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	164,376	164,046	160,801	330	0.2%	3,575	2.2%
Employment	158,426	158,105	151,550	321	0.2	6,876	4.5
Unemployment	5,950	5,941	9,251	9	0.2	(3,301)	(35.7)
Unemployment Rate	3.6%	3.6%	5.8%	--	--	--	--
Michigan	May 2022	Apr 2022	May 2021	Change from Apr		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,850	4,833	4,772	16	0.3%	78	1.6%
Employment	4,642	4,624	4,474	18	0.4	169	3.8
Unemployment	207	209	298	(2)	(0.8)	(91)	(30.4)
Unemployment Rate	4.3%	4.3%	6.2%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	May 2022	Apr 2022	May 2021	Change from Apr		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,317	4,326	4,160	(9)	(0.2%)	157	3.8%
Goods Producing Industries	786	790	756	(4)	(0.5)	30	3.9
Mining and Logging	8	8	7	0	1.3	1	13.4
Construction	176	179	176	(3)	(1.7)	1	0.3
Manufacturing	602	603	574	(1)	(0.2)	28	4.9
Transportation Equipment	186	186	172	(0)	(0.2)	14	7.9
Service Producing Industries	3,531	3,537	3,404	(5)	(0.1)	127	3.7
Trade, Transportation & Utilities	799	801	775	(2)	(0.2)	24	3.1
Wholesale Trade	171	170	164	1	0.4	7	4.1
Retail Trade	455	458	449	(4)	(0.8)	6	1.3
Transportation & Utilities	174	172	162	2	0.9	11	7.0
Information	54	54	51	0	0.4	3	6.3
Financial Activities	235	236	233	(1)	(0.5)	2	0.9
Professional & Business Services	654	654	624	1	0.1	31	4.9
Education & Health Services	654	654	650	0	0.0	4	0.6
Leisure & Hospitality Services	388	395	348	(7)	(1.8)	40	11.4
Other Services	160	159	152	1	0.7	8	4.9
Government	588	585	571	3	0.4	16	2.8

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 2022	Year Ago	Percent Change	May 2022	Year Ago	Percent Change
Construction	40.8	40.9	(0.2)	\$1,317.02	\$1,248.27	5.5%
Manufacturing	42.4	39.8	6.5	1,043.46	922.96	13.1
Durable Goods	42.8	39.0	9.7	1,078.99	922.35	17.0
Transportation Equipment Mfg.	41.6	40.5	2.7	1,207.65	1,141.29	5.8
Motor Vehicle Parts Mfg.	43.3	40.6	6.7	1,202.01	1,047.89	14.7
Nondurable Goods	41.2	42.2	(2.4)	938.12	926.71	1.2
Wholesale Trade	39.6	38.9	1.8	1,176.52	1,003.23	17.3
Retail Trade	29.0	29.6	(2.0)	529.25	516.52	2.5
Information	37.5	41.3	(9.2)	1,197.00	1,140.29	5.0
Financial Activities	37.9	37.0	2.4	1,056.27	973.47	8.5
Professional & Business Services	36.6	36.2	1.1	1,095.80	984.64	11.3
Health Care & Social Assistance	31.8	31.4	1.3	801.68	720.32	11.3
Leisure & Hospitality	23.0	22.7	1.3	376.67	314.85	19.6
Accommodation & Food Services	23.5	23.3	0.9	378.59	316.88	19.5

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 2022	Apr 2022	Mar 2022	May 2021
Metropolitan Statistical Areas				
Ann Arbor	3.6%	3.0%	3.1%	4.9%
Battle Creek	4.9	4.6	4.7	7.2
Bay City	4.9	5.0	5.1	6.4
Detroit-Warren-Dearborn	4.9	4.2	4.6	6.5
Flint	5.8	5.7	5.8	8.0
Grand Rapids-Wyoming	3.4	3.1	3.3	5.1
Jackson	4.4	4.2	4.3	6.2
Kalamazoo-Portage	4.1	3.7	3.9	5.8
Lansing-East Lansing	4.7	4.0	3.8	5.9
Midland	4.1	4.0	4.2	5.3
Monroe	4.6	4.2	4.5	7.1
Muskegon	5.4	5.3	5.3	8.3
Niles-Benton Harbor	4.4	4.2	4.4	6.2
Saginaw	5.8	5.7	5.7	7.6
Multi-County Areas				
Northeast Lower Michigan	5.9	7.4	7.6	7.5
Northwest Lower Michigan	4.4	4.9	5.2	6.1
Upper Peninsula	5.2	5.8	5.7	6.2
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	4.6	4.2	4.5	6.3
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)							
	May 2022	Apr 2022	Mar 2022	Feb 2022	Year Ago May	Percent Change From:	
						May/Apr	May 2022/ May 2021
Motor Vehicle Sales¹⁾							
Autos	2,598	2,897	2,733	2,823	3,890	(10.3%)	(33.2%)
Domestics	1,867	2,120	2,064	2,048	2,708	(11.9)	(31.1)
Imports	731	777	669	775	1,182	(5.9)	(38.2)
Import Share	28.1%	26.8%	24.5%	27.5%	30.4%	----	----
Light Trucks	9,982	11,388	10,818	10,889	12,798	(12.3)	(22.0)
Domestics	8,213	9,237	8,579	8,605	9,683	(11.1)	(15.2)
Imports	1,769	2,151	2,239	2,284	3,115	(17.8)	(43.2)
Import Share	17.7%	18.9%	20.7%	21.0%	24.3%	----	----
Subtotal: Light Vehicle Sales	12,580	14,285	13,551	13,712	16,688	(11.9)	(24.6)
Heavy Trucks	464	456	452	451	489	1.8	(5.1)
Total Vehicle Sales	13,044	14,741	14,003	14,163	17,177	(11.5)	(24.1)
U.S. Motor Vehicle Production¹⁾							
Autos	1,750	1,801	1,711	1,518	1,579	(2.9)	10.8
Michigan Motor Vehicle Production²⁾							
Autos	223	173	146	103	70	28.7	220.1
Trucks	2,082	2,139	2,128	1,746	1,614	(2.7)	28.9
Total	2,304	2,313	2,274	1,849	1,684	(0.4)	36.8
Michigan Production as % of U.S.	22.0%	21.0%	21.3%	20.6%	20.3%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 33,521	\$ 32,925	\$ 32,944	\$ 33,317	\$ 29,508	1.8	13.6
Domestic	\$ 30,141	\$ 29,864	\$ 30,089	\$ 30,482	\$ 28,651	0.9	5.2
Foreign	\$ 42,389	\$ 41,607	\$ 41,681	\$ 40,804	\$ 31,472	1.9	34.7
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)	May	58.4	65.2	82.9	(10.4%)	(29.6%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	May	\$109.55	\$101.78	\$65.17	7.6	68.1
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	May	1,562	1,805	1,605	(13.5)	(2.7)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	May	\$591.8	\$590.2	\$550.4	0.3	7.5
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	May	104.2	104.3	99.8	(0.1)	4.4
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	May	80.0	80.2	77.3	(0.2)	3.6
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	May	291.5	288.7	268.6	12.3	8.5
Detroit (not seasonally adjusted)	Apr	265.1	258.7	244.7	15.7	8.3
Interest Rates						
3-month Treasury Bill ⁴⁾	May	0.99%	0.76%	0.02%	--	--
30-year Conventional Mortgage ⁶⁾	May	5.23%	4.98%	2.96%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2022 1st Quarter	\$19,924.1	\$20,006.2	\$19,216.2	(1.6)	3.7
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	May	\$2,622.3	\$3,686.5	\$2,879.2	NM	(8.9)

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.

Trade Deficit as a Share of Gross Domestic Product

Deficit Shrinks in Second Quarter of 2022; Deficits Since COVID Less Than During the 2000s



Source: Bureau of Economic Analysis, U.S. Department of Commerce