

ECONOMIC HIGHLIGHTS



Seasonally-adjusted **employment** decreased by 0.2%, or 310,000 jobs nationally, from April 2023 to May 2023, the first monthly decline since November 2022 and the largest monthly decline since April 2022. Despite the decline, May 2023 employment was 1.5%, or approximately 2.4 million jobs, above the level of May 2022. The **labor force** also increased by 0.1% in May 2023, and the combination of fewer jobs with a larger labor force increased the **unemployment rate** from 3.4% in April 2023 to 3.7% in May. While May's 3.7% unemployment rate was the highest rate since October 2022, the rate was very low by historical standards and relatively unchanged from the 3.6% rate in May 2022.

Oil prices fell 9.9% from April 2023 to May 2023 and were 34.7% below the level in May 2022. The decline more than reverse the increase in oil prices observed in April 2023, and May's average price of \$71.58 per barrel represented the lowest price since August 2021.



Based on home sales reported by Michigan Realtors®, **Michigan home sales** in May 2023 were 16.3% below the level in May 2022, while the average selling price was up 2.5%. On a year-to-date basis, through May 2023, sales were down 18.6% while the average selling price was up 3.1%.

In May 2023, **average weekly hours** fell in almost all sectors, compared to March 2022, although **average weekly earnings** rose in most sectors. Hours increased only in transportation equipment manufacturing (but not in the motor vehicle parts manufacturing subsector) and the health care/social assistance sectors. Hours fell between 0.7% (construction) and 8.5% (nondurable goods manufacturing) in other sectors. Among sectors with lower hours, earnings declined only in three sectors: financial activities (-2.6%), professional/business services (-5.9%), and nondurable manufacturing (-6.8%). Among sectors with higher average earnings, the increases ranged from 0.7% (construction) to 11.5% (information).

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	May 2023	Apr 2023	May 2022	Change from Apr		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	166,818	166,688	164,278	130	0.1%	2,540	1.5%
Employment	160,721	161,031	158,299	(310)	(0.2)	2,422	1.5
Unemployment	6,097	5,657	5,979	440	7.8	118	2.0
Unemployment Rate	3.7%	3.4%	3.6%	--	--	--	--
Michigan	May 2023	Apr 2023	May 2022	Change from Apr		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,895	4,869	4,847	26	0.5%	48	1.0%
Employment	4,716	4,683	4,655	33	0.7	60	1.3
Unemployment	179	186	192	(7)	(3.8)	(13)	(6.5)
Unemployment Rate	3.7%	3.8%	4.0%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	May 2023	Apr 2023	May 2022	Change from Apr		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,437	4,426	4,358	11	0.3%	79	1.8%
Goods Producing Industries	807	806	791	2	0.2	16	2.1
Mining and Logging	8	8	7	0	1.3	0	5.6
Construction	191	191	184	0	0.1	7	3.9
Manufacturing	609	608	600	1	0.2	9	1.4
Transportation Equipment	186	187	181	(0)	(0.1)	5	2.9
Service Producing Industries	3,630	3,620	3,567	10	0.3	63	1.8
Trade, Transportation & Utilities	815	811	805	4	0.5	10	1.2
Wholesale Trade	181	181	171	1	0.3	10	5.6
Retail Trade	458	454	456	5	1.0	3	0.5
Transportation & Utilities	176	177	178	(1)	(0.7)	(2)	(1.3)
Information	57	57	56	(0)	(0.2)	0	0.4
Financial Activities	228	228	234	(0)	(0.0)	(6)	(2.5)
Professional & Business Services	667	664	659	3	0.5	8	1.2
Education & Health Services	678	678	659	(0)	(0.0)	19	2.9
Leisure & Hospitality Services	417	415	403	2	0.4	14	3.4
Other Services	160	162	164	(1)	(0.8)	(4)	(2.2)
Government	608	606	587	3	0.4	22	3.7

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 2023	Year Ago	Percent Change	May 2023	Year Ago	Percent Change
Construction	40.7	41.0	(0.7)%	\$1,341.07	\$1,332.09	0.7%
Manufacturing	40.6	42.4	(4.2)	1,069.00	1,043.04	2.5
Durable Goods	41.5	42.8	(3.0)	1,131.71	1,078.99	4.9
Transportation Equipment Mfg.	42.4	41.6	1.9	1,251.22	1,207.65	3.6
Motor Vehicle Parts Mfg.	40.4	43.3	(6.7)	1,117.06	1,202.01	(7.1)
Nondurable Goods	37.7	41.2	(8.5)	874.64	938.12	(6.8)
Wholesale Trade	38.8	39.6	(2.0)	1,198.53	1,176.52	1.9
Retail Trade	28.7	29.0	(1.0)	533.53	529.25	0.8
Information	35.5	37.5	(5.3)	1,334.45	1,197.00	11.5
Financial Activities	36.8	37.9	(2.9)	1,029.30	1,056.27	(2.6)
Professional & Business Services	35.2	36.6	(3.8)	1,031.36	1,095.80	(5.9)
Health Care & Social Assistance	32.1	31.8	0.9	827.22	801.68	3.2
Leisure & Hospitality	22.3	23.0	(3.0)	389.14	375.13	3.7
Accommodation & Food Services	22.6	23.5	(3.8)	392.56	378.59	3.7

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)				
	May 2023	Apr 2023	Mar 2023	May 2022
Metropolitan Statistical Areas				
Ann Arbor	3.6%	2.5%	3.5%	3.9%
Battle Creek	4.6	3.7	5.1	4.7
Bay City	5.0	4.3	6.2	4.9
Detroit-Warren-Dearborn	3.1	2.0	2.8	3.7
Flint	5.1	4.3	6.0	5.3
Grand Rapids-Wyoming	3.4	2.6	3.7	3.5
Jackson	4.2	3.3	4.7	4.4
Kalamazoo-Portage	4.1	3.2	4.5	4.1
Lansing-East Lansing	3.9	2.9	4.3	4.8
Midland	4.0	3.4	5.0	4.2
Monroe	4.8	3.3	4.9	4.7
Muskegon	4.7	3.7	5.2	4.8
Niles-Benton Harbor	4.3	3.4	4.9	4.3
Saginaw	5.3	4.5	6.4	5.4
Multi-County Areas				
Northeast Lower Michigan	5.8	6.3	9.4	5.8
Northwest Lower Michigan	4.5	4.4	6.3	4.4
Upper Peninsula	5.5	5.4	7.2	5.3
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	3.8	2.9	4.1	4.1
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 2023	Apr 2023	Mar 2023	Feb 2023	Year Ago May	Percent Change From:	
						May/Apr	May 2023/ May 2022
Motor Vehicle Sales¹⁾							
Autos	3,034	3,255	2,971	2,914	2,597	(6.8%)	16.8%
Domestics	2,222	2,421	2,199	2,081	1,800	(8.2)	23.4
Imports	812	834	772	833	797	(2.6)	1.9
Import Share	26.8%	25.6%	26.0%	28.6%	30.7%	----	----
Light Trucks	12,019	12,794	11,947	12,008	9,982	(6.1)	20.4
Domestics	9,664	10,340	9,705	9,765	8,217	(6.5)	17.6
Imports	2,355	2,454	2,242	2,243	1,765	(4.0)	33.4
Import Share	19.6%	19.2%	18.8%	18.7%	17.7%	----	----
Subtotal: Light Vehicle Sales	15,053	16,049	14,918	14,922	12,579	(6.2)	19.7
Heavy Trucks	566	538	486	516	464	5.2	22.0
Total Vehicle Sales	15,619	16,587	15,404	15,438	13,043	(5.8)	19.8
U.S. Motor Vehicle Production¹⁾							
Autos	1,853	1,990	1,834	1,770	1,674	(6.9)	10.7
Michigan Motor Vehicle Production²⁾							
Autos	173	177	197	153	238	(2.3)	(27.3)
Trucks	2,048	1,888	1,832	1,908	2,094	8.5	(2.2)
Total	2,221	2,065	2,029	2,061	2,333	7.6	(4.8)
Michigan Production as % of U.S.	19.1%	18.8%	19.6%	20.3%	22.4%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 31,459	\$ 31,409	\$ 31,312	\$ 31,406	\$ 33,521	0.2	(6.2)
Domestic	\$ 29,011	\$ 28,626	\$ 28,699	\$ 28,950	\$ 30,141	1.3	(3.7)
Foreign	\$ 38,159	\$ 39,494	\$ 38,759	\$ 37,544	\$ 42,389	(3.4)	(10.0)
Inventory-to-Sales Ratio	0.807	0.659	0.688	0.614	0.545	22.5	48.1
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.							



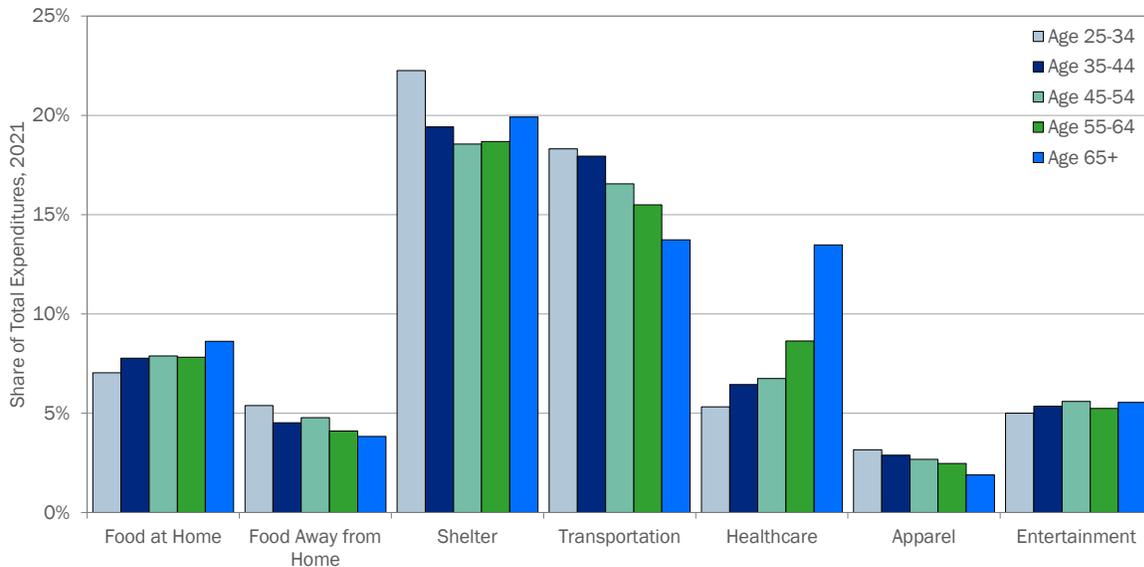
OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period ⁹⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	May	59.2	63.5	58.4	(6.8%)	1.4%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	May	\$71.58	\$79.45	\$109.55	(9.9)	(34.7)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	May	1,559	1,348	1,543	15.7	1.0
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	May	\$599.3	\$596.8	\$593.7	0.4	0.9
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	May	102.8	103.3	102.8	(0.5)	0.0
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	May	79.4	79.9	80.6	(0.6)	(1.5)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	May	303.3	302.9	291.3	1.5	4.1
Detroit (not seasonally adjusted)	Apr	282.5	276.7	265.1	13.1	6.6
Interest Rates						
3-month Treasury Bill ⁴⁾	May	5.31%	5.07%	0.99%	--	--
30-year Conventional Mortgage ⁶⁾	May	6.43%	6.34%	5.23%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2023 1st Quarter	\$20,282.8	\$20,182.5	\$19,924.1	2.0	1.8
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	May	\$2,524.0	\$3,099.5	\$2,631.1	NM	(4.1)

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.

Age Differences in Consumer Spending

Spending on Food Away from Home and Transportation Falls as Healthcare Spending Rises



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