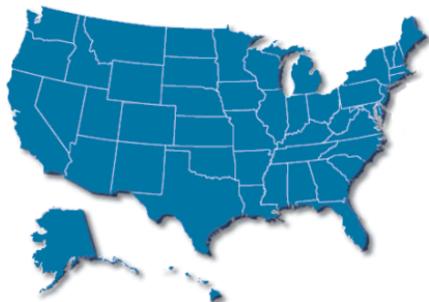


Michigan Economic Indicators

NOVEMBER 2016



ECONOMIC HIGHLIGHTS



Housing starts totaled 1.1 million units, at a seasonally adjusted annual rate, in November 2016, down 16.5%, or 218,000 units, from October 2016, and down 5.9% from the level in November 2015. Compared to November 2015, single-family starts were up 5.3%, compared to a 28.5% drop in starts with five or more units. By region, compared to November 2015, starts were down 35.2% in the Northeast and 4.8% in the South, but were up 2.4% in the Midwest and unchanged in the West.

The **U.S. unemployment rate** decreased to 4.6% in November 2016, down from 5.0% in November 2015 and down from 4.9% in October 2016. The decline from October 2016 reflected large numbers of people leaving the labor force, as the labor force declined by 256,000 people and employment grew by 160,000 jobs. However, compared to November 2015, the decline in the unemployment rate reflected employment growing by 2.6 million jobs while only 2.1 million additional individuals entered the labor force.



Michigan **personal income** increased by 1.2% in the third quarter of 2016, above the U.S. average of 1.1% and ranking 12th among the 50 states. An increase in net earnings (primarily wages and salaries, benefits, and proprietors' income less payments for government social insurance) accounted for 0.9 percentage point of the increase. Among other Great Lakes states, Ohio also grew 1.2% (15th), followed by Wisconsin (1.2%, 19th), Indiana (1.1%, 26th), and Illinois (1.0%, 32nd).

The **Southeast Michigan Purchasing Managers Index** for November 2016 was 57.0, down from the October index of 67.2 and slightly below the 57.1 in November 2015. A reading above 50 indicates expansion in the economy. The decrease largely reflected decreases in production, employment, and new orders. However, the only component of the index with a value below 50 was inventories of finished goods. The Purchasing Managers' Survey indicated that 54.2% of respondents expected the economy to remain the same for the next six months.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Nov 2016	Oct 2016	Nov 2015	Change from October		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	159,456	159,712	157,367	(256)	(0.2%)	2,089	1.3%
Employment	152,085	151,925	149,444	160	0.1	2,641	1.8
Unemployment	7,371	7,787	7,923	(416)	(5.3)	(552)	(7.0)
Unemployment Rate	4.6%	4.9%	5.0%	--	--	--	--
Michigan	Nov 2016	Oct 2016	Nov 2015	Change from October		Change from Year Ago	
Labor Force	4,872	4,844	4,763	28	0.6%	109	2.3%
Employment	4,632	4,616	4,521	16	0.4	111	2.5
Unemployment	240	228	242	12	5.3	(2)	(0.9)
Unemployment Rate	4.9%	4.7%	5.1%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Nov 2016*	Oct 2016	Nov 2015	Change from Oct		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,360	4,365	4,276	(6)	(0.1%)	84	2.0%
Goods Producing Industries	763	764	751	(1)	(0.1)	12	1.6
Mining and Logging	7	7	7	0	2.9	(0)	(2.7)
Construction	159	156	150	3	1.6	9	6.0
Manufacturing	597	600	593	(4)	(0.6)	3	0.6
Transportation Equipment	178	177	174	1	0.7	4	2.4
Service Producing Industries	3,597	3,602	3,525	(5)	(0.1)	72	2.0
Trade, Transportation & Utilities	770	773	772	(3)	(0.4)	(2)	(0.2)
Wholesale Trade	169	168	172	1	0.5	(3)	(1.7)
Retail Trade	466	470	465	(4)	(0.9)	1	0.2
Transportation & Utilities	135	135	135	0	0.1	0	0.2
Information	57	59	57	(2)	(2.6)	1	1.1
Financial Activities	219	216	210	2	1.0	8	4.0
Professional & Business Services	671	671	644	0	0.0	27	4.2
Education & Health Services	668	670	657	(2)	(0.3)	11	1.7
Leisure & Hospitality Services	433	436	419	(2)	(0.5)	14	3.4
Other Services	172	173	169	(1)	(0.3)	3	2.0
Government	606	604	597	3	0.4	9	1.5

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		
	Nov 2016	Year Ago	Percent Change	Nov 2016	Year Ago	Percent Change
Construction	40.8	40.1	1.7%	\$1,057.13	\$1,004.10	5.3%
Manufacturing	42.0	44.3	(5.2)	857.64	917.90	(6.6)
Durable Goods	42.4	45.2	(6.2)	895.49	990.33	(9.6)
Transportation Equipment Mfg.	41.5	48.2	(13.9)	915.49	1,236.81	(26.0)
Motor Vehicle Parts Mfg.	45.7	48.6	(6.0)	967.93	1,111.00	(12.9)
Nondurable Goods	40.9	41.5	(1.4)	743.15	694.30	7.0
Wholesale Trade	40.1	38.8	3.4	916.69	910.64	0.7
Retail Trade	30.4	29.6	2.7	438.98	414.10	6.0
Information	34.6	36.6	(5.5)	891.99	925.98	(3.7)
Financial Activities	35.8	36.0	(0.6)	839.87	842.04	(0.3)
Professional & Business Services	35.0	35.9	(2.5)	801.50	819.60	(2.2)
Health Care & Social Assistance	31.7	31.7	0.0	630.83	646.36	(2.4)
Leisure & Hospitality	22.1	22.5	(1.8)	253.05	246.15	2.8
Accommodation & Food Services	21.9	22.6	(3.1)	237.62	236.85	0.3

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)				
	Nov 2016	Oct 2016	Sep 2016	Nov 2015
Metropolitan Statistical Areas				
Ann Arbor	3.0%	3.5%	3.1%	2.7%
Battle Creek	4.1	4.2	3.9	3.7
Bay City	4.4	4.4	4.1	4.0
Detroit-Warren-Dearborn	5.1	5.4	5.4	5.1
Flint	4.7	4.9	4.5	4.4
Grand Rapids-Wyoming	3.1	3.2	2.9	2.8
Jackson	4.3	4.4	4.1	3.8
Kalamazoo-Portage	3.8	3.8	3.5	3.4
Lansing-East Lansing	3.4	3.6	3.3	3.1
Midland	4.1	4.0	3.6	3.5
Monroe	3.6	4.6	3.7	3.2
Muskegon	4.6	4.7	4.3	4.3
Niles-Benton Harbor	4.4	4.3	4.0	3.8
Saginaw	4.4	4.4	4.1	4.1
Multi-County Areas				
Northeast Lower Michigan	6.8	5.6	5.0	6.0
Northwest Lower Michigan	4.7	4.2	3.8	4.3
Upper Peninsula	5.6	5.1	4.7	5.1
Michigan Statewide Average				
-- Unadjusted (comparable to figures shown above)	4.5	4.6	4.4	4.2
Source: Michigan Department of Technology, Management, and Budget				

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Nov 2016	Oct 2016	Sep 2016	Aug 2016	Year Ago Nov	Percent Change From:	
						Nov/Oct	Nov 2016/ Nov 2015
Motor Vehicle Sales¹⁾							
Autos	6,876	6,788	7,000	6,540	7,527	1.3%	(8.6%)
Domestics	5,169	5,062	5,293	4,888	5,623	2.1	(8.1)
Imports	1,707	1,726	1,707	1,652	1,904	(1.1)	(10.3)
Import Share	24.8%	25.4%	24.4%	25.3%	25.3%	----	----
Light Trucks	10,871	11,125	10,677	10,374	10,603	(2.3)	2.5
Domestics	8,656	8,985	8,599	8,213	8,526	(3.7)	1.5
Imports	2,215	2,140	2,078	2,161	2,077	3.5	6.6
Import Share	20.4%	19.2%	19.5%	20.8%	19.6%	----	----
Subtotal: Light Vehicle Sales	17,747	17,913	17,677	16,914	18,130	(0.9)	(2.1)
Heavy Trucks	383	352	382	370	475	8.8	(19.4)
Total Vehicle Sales	18,130	18,265	18,059	17,284	18,605	(0.7)	(2.6)
U.S. Motor Vehicle Production¹⁾							
Autos	3,858	3,749	3,912	3,998	3,864	2.9	(0.2)
Michigan Motor Vehicle Production²⁾							
Autos	970	751	853	839	801	29.2	21.1
Trucks	1,371	1,486	1,547	1,600	1,495	(7.7)	(8.3)
Total	2,341	2,237	2,400	2,439	2,296	4.7	2.0
Michigan Production as % of U.S.	18.8%	18.3%	19.1%	18.4%	19.5%	----	----
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,594	1,481	1,413	1,369	1,611	7.6	(1.1)
Days Supply	78	76	63	61	70	2.6	11.4
Total Truck	2,426	2,366	2,277	2,205	2,126	2.6	14.2
Days Supply	70	71	65	62	62	(1.4)	12.9
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 ⁸⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Nov	93.8	87.2	91.3	7.6%	2.7%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Nov	\$45.71	\$49.78	\$42.44	(8.2)	7.7
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Nov	1,102	1,320	1,171	(16.5)	(5.9)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Nov	\$409.8	\$409.9	\$395.6	(0.0)	3.6
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Nov	103.9	104.3	104.5	(0.4)	(0.6)
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Nov	75.0	75.4	75.7	(0.5)	(1.0)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Nov	242.3	241.9	238.3	2.4	1.7
Detroit (not seasonally adjusted)	Oct	224.3	223.9	220.5	1.0	1.7
Interest Rates						
3-month Treasury Bill ⁴⁾	Nov	0.45%	0.33%	0.13%	--	--
30-year Conventional Mortgage ⁴⁾	Nov	3.77%	3.47%	3.94%	--	--
Real Gross Domestic Product ⁶⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2016 3rd Quarter	\$16,727.0	\$16,583.1	\$16,454.9	3.5	1.7
Michigan Tax Collections ⁷⁾ (12 major taxes, millions)	Nov	\$1,900.4	\$2,887.8	\$1,741.3	NM	9.1

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) Reuters/University of Michigan Surveys of Consumers. 2) Dow Jones & Company/Federal Reserve Bank of St. Louis. 3) U.S. Department of Commerce, Bureau of the Census. 4) Freddie Mac, Primary Mortgage Market Survey 5) U.S. Department of Labor, Bureau of Labor Statistics. 6) U.S. Department of Commerce, Bureau of Economic Analysis. 7) Michigan Department of Treasury and the Senate Fiscal Agency. 8) Percent changes from previous period for CPI and GDP at annual rate.

