

ECONOMIC HIGHLIGHTS



The **interest rate on 30-year fixed-rate mortgages** declined to 6.81% in November 2022, down from 6.90% in October and up from 3.07% in November 2021. The November 2022 rate marked the third consecutive month mortgage rates exceeded 6.0%. Previously, the last time mortgage rates had exceeded 6.0% for three consecutive months was November 2008.

The United States **current account deficit** decreased \$21.6 billion, to \$217.1 billion (3.4% of GDP), in the third quarter of 2022, down from \$238.7 billion (3.8% of GDP) in the second quarter. The current account measures the balance of trade plus transfers of capital. The largest component of the current account deficit is the trade deficit, which decreased \$43.0 billion, as exports increased (growing \$26.5 billion) by more than imports (which grew \$4.8 billion).



Regional unemployment rates decreased month-over-month in November 2022 in all Michigan metropolitan statistical areas (MSAs) but increased in multi-county areas not associated with an MSA. The largest decreases were in the Detroit-Warren-Dearborn and Monroe metropolitan areas, which both decreased 0.4 percentage points. Compared to November 2021, changes in unemployment rates were mixed, with the rate in the Detroit-Warren-Dearborn area down 1.3 percentage points (the largest decline) and the Midland rate increasing 0.5 percentage points (the largest increase). Regional unemployment rates are not adjusted for seasonality.

In the third quarter of 2022, Michigan **personal income** increased 2.4% from the second quarter, below the 5.3% increase nationwide. Michigan's increase ranked fourth out of the five states in the Great Lakes region and 48th across the 50 states. Personal income grew most rapidly in Colorado, at 14.2%, and slowest in Kentucky, at 1.4%. Other states in the Great Lakes region exhibited increases in personal income: Wisconsin at 4.7% (ranked 29th), followed by Ohio at 4.6% (34th), Illinois at 3.9% (42nd), and Indiana at 1.9% (49th).

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Nov 2022	Oct 2022	Nov 2021	Change from Oct		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	164,527	164,646	162,315	(119)	(0.1%)	2,212	1.4%
Employment	158,527	158,593	155,535	(66)	(0.0)	2,992	1.9
Unemployment	6,000	6,053	6,780	(53)	(0.9)	(780)	(11.5)
Unemployment Rate	3.6%	3.7%	4.2%	--	--	--	--
Michigan	Nov 2022	Oct 2022	Nov 2021	Change from Oct		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,833	4,834	4,795	(1)	(0.0%)	38	0.8%
Employment	4,622	4,622	4,560	1	0.0	62	1.4
Unemployment	210	212	235	(1)	(0.6)	(24)	(10.3)
Unemployment Rate	4.4%	4.4%	4.9%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Nov 2022	Oct 2022	Nov 2021	Change from Oct		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,389	4,380	4,294	9	0.2%	96	2.2%
Goods Producing Industries	798	795	785	3	0.4	13	1.6
Mining and Logging	7	7	7	0	0.0	1	8.8
Construction	186	183	181	3	1.5	5	2.7
Manufacturing	605	604	597	1	0.1	7	1.2
Transportation Equipment	185	185	186	(0)	(0.1)	(2)	(0.9)
Service Producing Industries	3,592	3,586	3,509	6	0.2	83	2.4
Trade, Transportation & Utilities	807	808	793	(2)	(0.2)	14	1.8
Wholesale Trade	174	174	168	(0)	(0.2)	6	3.8
Retail Trade	455	454	452	1	0.2	3	0.7
Transportation & Utilities	178	180	173	(2)	(1.2)	5	2.7
Information	57	57	54	(0)	(0.3)	3	5.2
Financial Activities	230	231	234	(1)	(0.6)	(4)	(1.9)
Professional & Business Services	657	658	649	(1)	(0.1)	8	1.2
Education & Health Services	668	664	654	4	0.6	14	2.2
Leisure & Hospitality Services	413	408	389	6	1.4	25	6.3
Other Services	161	163	159	(1)	(0.9)	2	1.2
Government	598	597	576	2	0.3	22	3.8

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		
	Nov 2022	Year Ago	Percent Change	Nov 2022	Year Ago	Percent Change
Construction	39.9	40.1	(0.5%)	\$1,299.94	\$1,250.32	4.0%
Manufacturing	42.2	41.7	1.2	1,117.46	1,012.48	10.4
Durable Goods	42.7	41.8	2.2	1,177.67	1,044.16	12.8
Transportation Equipment Mfg.	44.8	47.8	(6.3)	1,397.31	1,457.90	(4.2)
Motor Vehicle Parts Mfg.	42.0	43.0	(2.3)	1,200.36	1,200.13	0.0
Nondurable Goods	40.9	41.5	(1.4)	944.38	923.38	2.3
Wholesale Trade	38.8	39.8	(2.5)	1,204.74	1,036.79	16.2
Retail Trade	29.4	28.8	2.1	535.96	499.10	7.4
Information	36.5	36.0	1.4	1,227.50	1,015.20	20.9
Financial Activities	36.5	37.0	(1.4)	1,023.10	991.60	3.2
Professional & Business Services	34.9	35.0	(0.3)	1,055.73	1,024.45	3.1
Health Care & Social Assistance	32.2	31.3	2.9	826.90	759.65	8.9
Leisure & Hospitality	21.6	23.1	(6.5)	369.36	353.20	4.6
Accommodation & Food Services	21.8	23.6	(7.6)	371.69	353.06	5.3

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 2022	Oct 2022	Sept 2022	Nov 2021
Metropolitan Statistical Areas				
Ann Arbor	3.1%	3.3%	3.3%	2.8%
Battle Creek	4.3	4.5	4.7	4.6
Bay City	4.4	4.5	4.5	4.2
Detroit-Warren-Dearborn	2.9	3.3	3.2	4.2
Flint	5.2	5.4	5.5	5.4
Grand Rapids-Wyoming	3.0	3.1	3.2	3.0
Jackson	3.8	4.0	4.0	3.9
Kalamazoo-Portage	3.7	3.8	3.8	3.5
Lansing-East Lansing	3.4	3.6	3.7	3.3
Midland	3.8	3.9	3.9	3.3
Monroe	4.0	4.4	4.3	3.9
Muskegon	4.9	5.2	5.2	5.3
Niles-Benton Harbor	4.1	4.1	4.2	4.0
Saginaw	5.0	5.2	5.3	5.0
Multi-County Areas				
Northeast Lower Michigan	6.2	5.4	5.3	5.4
Northwest Lower Michigan	4.2	4.0	3.9	4.0
Upper Peninsula	4.9	4.3	4.3	4.2
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	3.5	3.7	3.7	4.0
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)							
	Nov 2022	Oct 2022	Sept 2022	Aug 2022	Year Ago Nov	Percent Change From:	
						Nov/Oct	Nov 2022/ Nov 2021
Motor Vehicle Sales¹⁾							
Autos	3,188	3,264	2,921	2,789	2,783	(2.3%)	14.6%
Domestics	2,272	2,383	2,061	1,923	2,115	(4.7)	7.4
Imports	916	881	860	866	668	4.0	37.1
Import Share	28.7%	27.0%	29.4%	31.1%	24.0%	----	----
Light Trucks	11,154	12,017	10,717	10,445	10,321	(7.2)	8.1
Domestics	9,054	9,706	8,671	8,414	8,416	(6.7)	7.6
Imports	2,100	2,311	2,046	2,031	1,905	(9.1)	10.2
Import Share	18.8%	19.2%	19.1%	19.4%	18.5%	----	----
Subtotal: Light Vehicle Sales	14,342	15,281	13,638	13,234	13,104	(6.1)	9.4
Heavy Trucks	510	492	475	504	439	3.7	16.2
Total Vehicle Sales	14,852	15,773	14,113	13,738	13,543	(5.8)	9.7
U.S. Motor Vehicle Production¹⁾							
Autos	1,777	1,930	1,900	1,958	1,523	(7.9)	16.7
Michigan Motor Vehicle Production²⁾							
Autos	171	224	231	194	181	(23.4)	(5.3)
Trucks	2,009	1,918	2,201	1,999	2,019	4.8	(0.5)
Total	2,181	2,142	2,432	2,193	2,200	1.8	(0.9)
Michigan Production as % of U.S.	20.7%	20.3%	20.7%	21.6%	22.3%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 31,750	\$ 31,888	\$ 32,134	\$ 31,626	\$ 31,667	(0.4)	0.3
Domestic	\$ 28,954	\$ 29,558	\$ 28,517	\$ 28,605	\$ 28,755	(2.0)	0.7
Foreign	\$ 38,687	\$ 38,195	\$ 42,484	\$ 39,360	\$ 40,889	1.3	(5.4)
Inventory-to-Sales Ratio	0.548	0.520	0.641	0.664	0.414	5.4	32.4
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.							



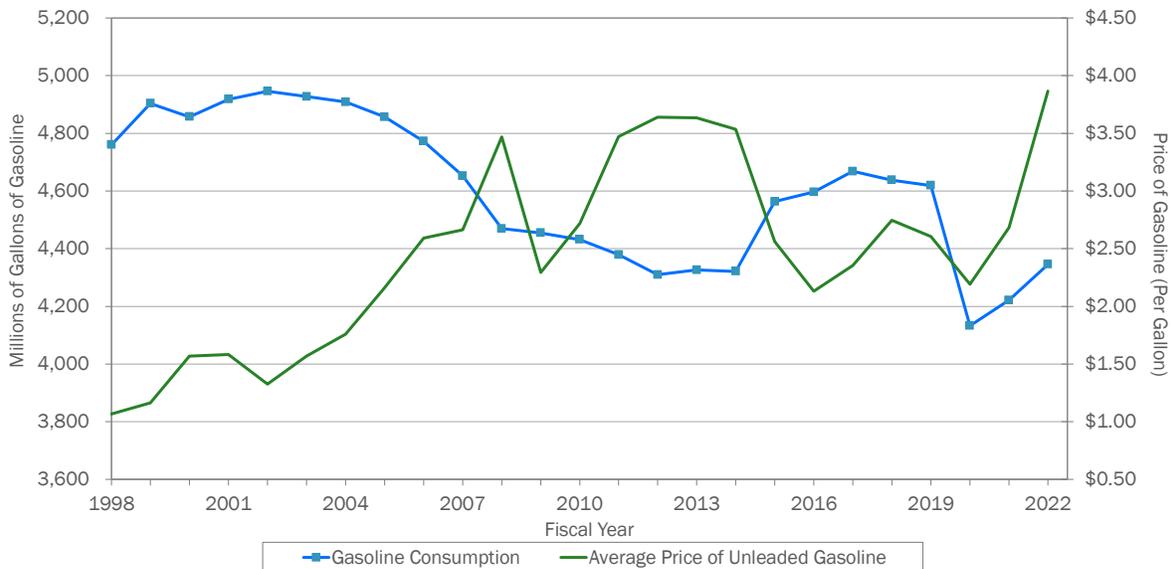
OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period ⁹⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Nov	56.8	59.9	67.4	(5.2%)	(15.7%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Nov	\$84.37	\$87.55	\$79.15	(3.6)	6.6
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Nov	1,419	1,426	1,706	(0.5)	(16.8)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Nov	\$595.3	\$602.6	\$567.2	(1.2)	5.0
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Nov	103.8	104.4	102.0	(0.6)	1.8
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Nov	79.1	79.7	79.0	(0.7)	0.2
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Nov	298.6	298.0	278.7	2.5	7.1
Detroit (not seasonally adjusted)	Oct	274.5	271.6	253.1	6.7	8.5
Interest Rates						
3-month Treasury Bill ⁴⁾	Nov	4.32%	3.87%	0.05%	--	--
30-year Conventional Mortgage ⁶⁾	Nov	6.81%	6.90%	3.07%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2022 3rd Quarter	\$20,054.7	\$19,895.3	\$19,672.6	3.2	1.9
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Nov	\$2,635.3	\$3,854.0	\$2,525.0	NM	4.4

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.

Gasoline Consumption in Michigan

Consumption in 2022 Increases Despite Higher Prices



Source: American Automobile Association (AAA), Senate Fiscal Agency.