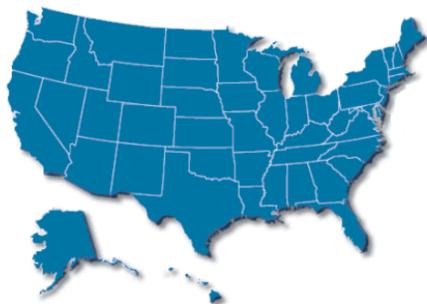


Michigan Economic Indicators

OCTOBER 2015



ECONOMIC HIGHLIGHTS



Inflation-adjusted gross domestic product (GDP) increased at a 2.0% annual rate in the third quarter of 2015, compared with a 3.9% increase in the second quarter. Personal consumption spending contributed 2.0 percentage points to GDP growth in the third quarter while government consumption spending contributed 0.3%, primarily from growth in state and local government spending. Gross private investment reduced growth by 0.1% due to a decline in nonfarm inventories, and net exports reduced GDP growth by 0.3% as exports declined at a faster rate than imports.

The **unemployment rate** declined from 5.1% in August 2015 to 5.0% in October 2015, the lowest rate recorded since April 2008. **Employment** reached a new post-recession high of 149.1 million people working in October 2015, nearly 1.9 million more jobs than in October 2014. As of October 2015, the number of people employed had increased by about 11.4 million since the employment low point in December 2009.



Michigan **average weekly hours and earnings** increased in most economic sectors in October 2015 compared with October 2014. Earnings grew at the fastest rate in the health care/social assistance sector, with an 11.6% increase in earnings. In the construction sector, earnings increased by 10.9% while hours rose 6.6%. Earnings in the financial activities sector increased 8.3% although hours declined 0.3%. The only sectors exhibiting lower average earnings were professional/business services (earnings 3.3% lower, hours 2.7% lower) and motor vehicle parts manufacturing (earnings down 4.5%, hours unchanged at 48.7 hours per week).

Michigan **motor vehicle production** was 18.7% of the U.S. total motor vehicle production in October 2015, an increase from Michigan's share of 17.0% in October 2014. Overall, the number of vehicles produced in Michigan was 6.3% higher in October 2015 than in October 2014. Auto production was down 20.8% in October 2015 compared to October 2014; however, a 25.7% increase in truck production more than offset the decline.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Oct. 2015	Sept. 2015	Oct. 2014	Change from Sept.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	157,028	156,715	156,243	313	0.2%	785	0.5%
Employment	149,120	148,800	147,260	320	0.2	1,860	1.3
Unemployment	7,908	7,915	8,983	(7)	(0.1)	(1,075)	(12.0)
Unemployment Rate	5.0%	5.1%	5.7%	---	---	---	---
Michigan	Oct. 2015	Sept. 2015	Oct. 2014	Change from Sept.		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,743	4,730	4,748	13	0.3%	(5)	(0.1%)
Employment	4,505	4,496	4,434	10	0.2	71	1.6
Unemployment	238	235	314	3	1.4	(76)	(24.1)
Unemployment Rate	5.0%	5.0%	6.6%	---	---	---	---

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Oct. 2015*	Sept. 2015	Oct. 2014	Change from Sept.		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,278	4,263	4,197	15	0.3%	81	1.9%
Goods Producing Industries	760	761	729	(1)	(0.1)	31	4.2
Mining and Logging	8	8	8	(0)	(1.2)	(0)	(3.6)
Construction	150	149	141	1	0.5	8	5.9
Manufacturing	602	604	580	(2)	(0.3)	23	3.9
Transportation Equipment	190	194	177	(4)	(2.1)	13	7.5
Service Producing Industries	3,518	3,503	3,468	16	0.4	50	1.4
Trade, Transportation & Utilities	765	766	762	(1)	(0.1)	3	0.4
Wholesale Trade	172	171	169	1	0.7	3	1.8
Retail Trade	463	465	464	(2)	(0.3)	(1)	(0.3)
Transportation & Utilities	130	131	129	(1)	(0.4)	1	0.7
Information	55	55	57	0	0.4	(2)	(3.0)
Financial Activities	212	210	205	1	0.6	7	3.2
Professional & Business Services	645	642	623	3	0.4	22	3.5
Education & Health Services	664	660	647	4	0.6	17	2.7
Leisure & Hospitality Services	413	413	407	(1)	(0.2)	6	1.4
Other Services	176	173	171	2	1.3	5	2.9
Government	589	583	597	7	1.2	(8)	(1.3)

Source: Bureau of Labor Statistics, U.S. Department of Labor (Establishment Data) *Preliminary

MICHIGAN AVERAGE WEEKLY HOURS AND EARNINGS						
Industry	Average Weekly Hours			Average Weekly Earnings		
	Oct. 2015	Year Ago	Percent Change	Oct. 2015	Year Ago	Percent Change
Construction	41.9	39.3	6.6%	\$1,051.27	\$948.31	10.9%
Manufacturing	44.8	43.7	2.5	936.77	897.60	4.4
Durable Goods	45.8	44.7	2.5	1,011.72	968.65	4.4
Transportation Equipment Mfg.	49.6	47.2	5.1	1,228.59	1,187.55	3.5
Motor Vehicle Parts Mfg.	48.7	48.7	0.0	1,120.59	1,173.67	(4.5)
Nondurable Goods	41.5	40.5	2.5	691.81	672.30	2.9
Wholesale Trade	39.1	38.5	1.6	896.17	866.64	3.4
Retail Trade	29.6	29.7	(0.3)	414.99	408.08	1.7
Information	35.4	33.8	4.7	877.21	874.07	0.4
Financial Activities	35.4	35.5	(0.3)	817.74	754.73	8.3
Professional & Business Services	35.5	36.5	(2.7)	804.79	831.84	(3.3)
Health Care & Social Assistance	31.2	31.6	(1.3)	678.60	608.30	11.6
Leisure & Hospitality	23.0	23.1	(0.4)	248.17	245.78	1.0
Accommodation & Food Services	22.9	22.9	0.0	239.08	233.58	2.4

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)				
	Oct. 2015	Sept. 2015	Aug. 2015	Oct. 2014
Metropolitan Statistical Areas				
Ann Arbor	3.4%	3.3%	3.5%	4.1%
Battle Creek	4.3	4.3	4.6	5.1
Bay City	4.4	4.5	4.9	5.3
Detroit-Warren-Livonia	6.3	5.7	6.2	7.9
Flint	5.0	5.0	5.4	6.1
Grand Rapids-Wyoming	3.1	3.1	3.4	4.0
Holland-Grand Haven	4.5	4.4	4.7	5.4
Jackson	3.9	3.9	4.2	4.9
Kalamazoo-Portage	3.6	3.6	4.0	5.0
Lansing-East Lansing	4.0	3.9	4.2	4.7
Monroe	4.1	3.8	4.1	4.8
Muskegon-Norton Shores	4.8	4.8	5.2	5.9
Niles-Benton Harbor	4.3	4.3	4.8	5.2
Saginaw-Saginaw Township North	4.6	4.6	4.9	5.7
Multi-County Areas				
Northeast Lower Michigan	5.7	5.3	5.7	6.7
Northwest Lower Michigan	4.5	4.3	4.5	5.5
Upper Peninsula	5.0	5.0	5.6	5.8
Michigan Statewide Average				
-- Unadjusted (comparable to figures shown above)	5.0	4.7	5.2	6.3
Source: Michigan Department of Technology, Management, and Budget				

MOTOR VEHICLE SALES AND PRODUCTION STATISTICS (Thousands of Units, Seasonally Adjusted Annual Rates)							
	Oct. 2015	Sept. 2015	Aug. 2015	July 2015	Year Ago Oct.	Percent Change From:	
						Oct./Sept.	Oct. 2015/ Oct. 2014
Motor Vehicle Sales¹⁾							
Autos	7,756	7,644	7,541	7,620	7,725	1.5%	0.4%
Domestics	5,821	5,723	5,592	5,778	5,758	1.7	1.1
Imports	1,935	1,921	1,949	1,842	1,967	0.7	(1.6)
Import Share	24.9%	25.1%	25.8%	24.2%	25.5%	---	---
Light Trucks	10,363	10,411	10,188	9,851	8,757	(0.5)	18.3
Domestics	8,301	8,621	8,210	8,077	7,383	(3.7)	12.4
Imports	2,062	1,790	1,978	1,774	1,374	15.2	50.1
Import Share	19.9%	17.2%	19.4%	18.0%	15.7%	---	---
Subtotal: Light Vehicle Sales	18,119	18,055	17,729	17,471	16,482	0.4	9.9
Heavy Trucks	427	445	478	470	426	(4.0)	0.2
Total Vehicle Sales	18,546	18,500	18,207	17,941	16,908	0.2	9.7
U.S. Motor Vehicle Production¹⁾							
Autos	4,103	4,086	4,123	4,620	4,030	0.4	1.8
Michigan Motor Vehicle Production²⁾							
Autos	681	896	714	742	859	(24.0)	(20.8)
Trucks	1,514	1,529	1,344	1,859	1,204	(1.0)	25.7
Total	2,194	2,425	2,058	2,601	2,063	(9.5)	6.3
Michigan Production as % of U.S.	18.7%	19.9%	18.5%	18.3%	17.0%	---	---
U.S. Motor Vehicle Inventories³⁾							
Total Car	1,542	1,524	1,500	1,538	1,654	1.2	(6.8)
Days Supply	71	63	57	60	75	12.7	(5.3)
Total Truck	2,033	1,928	1,848	1,877	1,935	5.5	5.1
Days Supply	67	57	54	58	76	17.5	(11.8)
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*	Year Ago
Index of Consumer Sentiment, monthly ¹⁾ (1996 Q1=100)	Oct.	90.0	87.2	86.9	3.2%	3.6%
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Oct.	\$46.22	\$45.48	\$84.40	1.6	(45.2)
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Oct.	1,062	1,207	1,079	(12.0)	(1.6)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Oct.	\$394.6	\$394.4	\$390.2	0.0	1.1
Industrial Production Index ⁴⁾ (1997=100, seasonally adjusted)	Oct.	107.1	107.5	106.8	(0.4)	0.3
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Oct.	77.5	77.9	78.5	(0.5)	(1.3)
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Oct.	238.0	237.6	237.8	2.4	0.1
Detroit (not seasonally adjusted)	Oct.	220.5	220.2	222.0	0.7	(0.7)
Interest Rates						
3-month Treasury Bill ⁴⁾	Oct.	0.02%	0.02%	0.02%	---	---
Corporate Aaa Bonds ⁴⁾	Oct.	3.95%	4.07%	3.92%	---	---
Real Gross Domestic Product ⁶⁾ (billions of 2005 \$, SAAR, Chain-Weighted)	2015 3rd Quarter	\$16,414.0	\$16,333.6	\$16,068.8	2.0	2.1
Michigan Tax Collections ⁷⁾ (12 major taxes, millions)	Oct.	\$2,781.9	\$2,448.2	\$2,784.0	NM	(0.1)

SAAR = Seasonally Adjusted at Annual Rates. NM = Not Meaningful.
 Revenue data vary greatly from month-to-month due to timing and other noneconomic factors.
 *Note: Percent changes from previous period for CPI and GDP at annual rate.

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) Board of Governors of the Federal Reserve System. 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.

