

Michigan Economic Indicators

OCTOBER 2022



ECONOMIC HIGHLIGHTS



Gross domestic product (GDP), adjusted for inflation, increased at a 3.2% annual rate in the third quarter of 2022--the first quarterly increase since the fourth quarter of 2021. The increase in real GDP reflected a 2.3% increase in consumption spending combined with an increase in net exports (exports increased 14.6% while imports decreased 7.3%) that more than offset a 9.6% decrease in nonresidential fixed investment. The increase in net exports added 2.9 percentage points to real GDP growth in the third quarter.

In October 2022, seasonally adjusted **light vehicle sales** at an annual rate rose 12.0% from the sales level in September 2022 and were up 15.6% compared to October 2021. The sales level in September 2022 was the strongest since June 2021. All categories of light vehicles (both domestic or imported and automobiles or light trucks) increased. Imported automobiles exhibited the greatest annual increase, up 24.4% from October 2021 sales while sales of domestic automobiles were up 17.0% and domestic light trucks rose 16.7%.



Average weekly earnings rose in most sectors between October 2021 and October 2022. The Information sector experienced the largest gain, with earnings up 26.8% from a year ago, followed by Wholesale Trade (up 16.8%) and durable goods manufacturing (up 16.1%). Nondurable manufacturing was the only sector with a year-over-year decline, with earnings down 3.8% from October 2021. Although average earnings were flat in the motor vehicle parts manufacturing sector, the broader transportation equipment manufacturing sector exhibited a 1.8% increase from October 2021. The year-over-year increase in average weekly earnings occurred despite **average weekly hours** growing 2.2% or less in almost every major sector and exhibiting declines in many sectors.

Michigan tax revenue from major sources increased to \$3.9 billion in October 2022, up 7.1% from the level in October 2021. The increase in revenue reflected strong growth in individual income tax withholding (13.6% above the October 2021 level), taxes on gaming activity other than the lottery (up 15.6%), and sales tax collections (up 6.4%). Sales tax collections from new vehicle sales were 25.0% above October 2021 collections.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Oct 2022	Sep 2022	Oct 2021	Change from Sep		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	164,646	164,619	161,740	27	0.0%	2,906	1.8%
Employment	158,593	158,850	154,395	(257)	(0.2)	4,198	2.7
Unemployment	6,053	5,769	7,345	284	4.9	(1,292)	(17.6)
Unemployment Rate	3.7%	3.5%	4.5%	--	--	--	--
Michigan	Oct 2022	Sep 2022	Oct 2021	Change from Sep		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	4,834	4,836	4,791	(3)	(0.1%)	42	0.9%
Employment	4,622	4,626	4,540	(4)	(0.1)	82	1.8
Unemployment	212	210	252	2	0.7	(40)	(15.9)
Unemployment Rate	4.4%	4.3%	5.3%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Oct 2022	Sep 2022	Oct 2021	Change from Sep		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,370	4,361	4,257	10	0.2%	113	2.7%
Goods Producing Industries	798	797	780	1	0.1	18	2.3
Mining and Logging	8	8	7	0	1.3	1	12.9
Construction	179	181	178	(2)	(1.2)	1	0.3
Manufacturing	611	609	595	3	0.4	17	2.8
Transportation Equipment	185	186	186	(1)	(0.4)	(1)	(0.5)
Service Producing Industries	3,573	3,563	3,477	9	0.3	95	2.7
Trade, Transportation & Utilities	801	801	782	0	0.0	19	2.4
Wholesale Trade	173	173	165	0	0.1	9	5.2
Retail Trade	454	454	449	(1)	(0.2)	4	0.9
Transportation & Utilities	174	174	168	1	0.4	6	3.7
Information	57	57	53	1	0.9	4	7.9
Financial Activities	238	239	234	(1)	(0.3)	5	2.0
Professional & Business Services	662	664	642	(3)	(0.4)	19	3.0
Education & Health Services	661	659	646	2	0.3	15	2.3
Leisure & Hospitality Services	404	396	387	8	2.0	17	4.4
Other Services	161	162	157	(1)	(0.3)	4	2.6
Government	588	586	576	2	0.4	12	2.1

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		
	Oct 2022	Year Ago	Percent Change	Oct 2022	Year Ago	Percent Change
Construction	40.0	40.1	(0.2%)	\$1,285.20	\$1,273.58	0.9%
Manufacturing	42.2	41.3	2.2	1,092.14	984.18	11.0
Durable Goods	43.2	41.0	5.4	1,157.33	996.71	16.1
Transportation Equipment Mfg.	44.6	44.9	(0.7)	1,361.19	1,336.67	1.8
Motor Vehicle Parts Mfg.	41.4	44.3	(6.5)	1,184.45	1,184.14	0.0
Nondurable Goods	39.4	42.0	(6.2)	907.38	943.32	(3.8)
Wholesale Trade	39.5	39.7	(0.5)	1,236.35	1,058.40	16.8
Retail Trade	29.4	28.9	1.7	535.37	505.17	6.0
Information	38.4	36.1	6.4	1,267.97	1,000.33	26.8
Financial Activities	36.9	37.2	(0.8)	1,036.15	981.71	5.5
Professional & Business Services	36.2	34.8	4.0	1,095.41	1,002.59	9.3
Health Care & Social Assistance	32.1	31.4	2.2	815.34	759.57	7.3
Leisure & Hospitality	22.2	23.4	(5.1)	374.96	354.28	5.8
Accommodation & Food Services	22.6	24.1	(6.2)	379.23	360.05	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)				
	Oct 2022	Sep 2022	Aug 2022	Oct 2021
Metropolitan Statistical Areas				
Ann Arbor	3.3%	3.3%	3.5%	3.2%
Battle Creek	4.5	4.7	5.2	5.0
Bay City	4.5	4.5	5.0	4.4
Detroit-Warren-Dearborn	3.3	3.2	3.5	5.0
Flint	5.4	5.5	6.1	5.9
Grand Rapids-Wyoming	3.1	3.2	3.4	3.3
Jackson	4.0	4.0	4.5	4.3
Kalamazoo-Portage	3.8	3.8	4.2	3.8
Lansing-East Lansing	3.6	3.7	4.5	3.9
Midland	3.9	3.9	4.2	3.6
Monroe	4.4	4.3	4.6	4.3
Muskegon	5.2	5.2	5.7	5.7
Niles-Benton Harbor	4.1	4.2	4.5	4.3
Saginaw	5.2	5.3	5.9	5.5
Multi-County Areas				
Northeast Lower Michigan	5.4	5.3	5.8	4.9
Northwest Lower Michigan	4.0	3.9	4.1	3.9
Upper Peninsula	4.3	4.3	4.8	3.9
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	3.7	3.7	4.0	4.5
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)							
	Oct 2022	Sep 2022	Aug 2022	July 2022	Year Ago Oct	Percent Change From:	
						Oct/Sep	Oct 2022/ Oct 2021
Motor Vehicle Sales¹⁾							
Autos	3,264	2,921	2,789	2,669	2,745	11.7%	18.9%
Domestics	2,383	2,061	1,923	1,899	2,037	15.6	17.0
Imports	881	860	866	770	708	2.4	24.4
Import Share	27.0%	29.4%	31.1%	28.8%	25.8%	----	----
Light Trucks	12,017	10,717	10,445	10,645	10,479	12.1	14.7
Domestics	9,706	8,671	8,414	8,810	8,320	11.9	16.7
Imports	2,311	2,046	2,031	1,835	2,159	13.0	7.0
Import Share	19.2%	19.1%	19.4%	17.2%	20.6%	----	----
Subtotal: Light Vehicle Sales	15,281	13,638	13,234	13,314	13,224	12.0	15.6
Heavy Trucks	492	475	504	491	438	3.6	12.3
Total Vehicle Sales	15,773	14,113	13,738	13,805	13,662	11.8	15.5
U.S. Motor Vehicle Production¹⁾							
Autos	1,930	1,900	1,958	1,837	1,512	1.6	27.6
Michigan Motor Vehicle Production²⁾							
Autos	224	231	194	215	129	(3.2)	72.8
Trucks	1,918	2,201	1,999	1,890	1,840	(12.9)	4.3
Total	2,142	2,432	2,193	2,105	1,969	(11.9)	8.8
Michigan Production as % of U.S.	20.3%	20.7%	21.6%	21.8%	22.2%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 31,888	\$ 32,134	\$ 31,626	\$ 32,321	\$ 31,386	(0.8)	1.6
Domestic	\$ 29,558	\$ 28,517	\$ 28,605	\$ 28,976	\$ 29,185	3.7	1.3
Foreign	\$ 38,195	\$ 42,484	\$ 39,360	\$ 41,757	\$ 37,717	(10.1)	1.3
Inventory-to-Sales Ratio	0.520	0.641	0.664	0.516	0.494	(18.9)	5.3
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.							



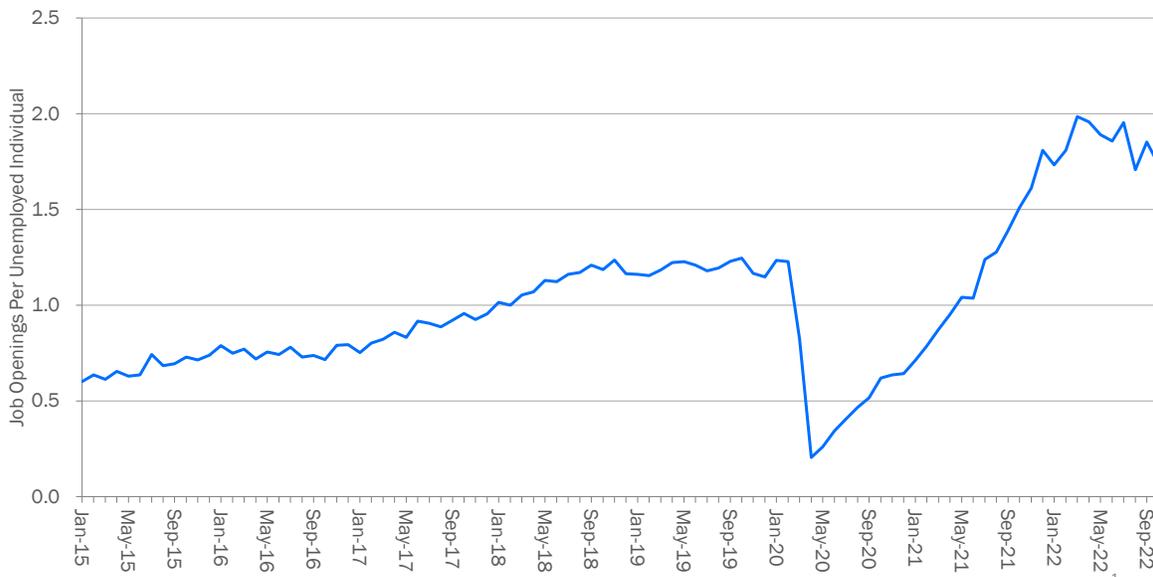
OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period ⁹⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Oct	59.9	58.6	71.7	2.2%	(16.5%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Oct	\$87.55	\$84.26	\$81.48	3.9	7.4
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Oct	1,426	1,465	1,563	(2.7)	(8.8)
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Oct	\$602.6	\$596.3	\$562.1	1.0	7.2
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Oct	104.6	104.6	101.4	0.0	3.2
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Oct	79.8	79.9	78.6	(0.1)	1.6
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Oct	298.0	296.5	276.5	6.0	7.8
Detroit (not seasonally adjusted)	Oct	274.5	271.6	253.1	6.7	8.5
Interest Rates						
3-month Treasury Bill ⁴⁾	Oct	3.87%	3.22%	0.05%	--	--
30-year Conventional Mortgage ⁶⁾	Oct	6.90%	6.11%	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)	Oct	\$3,854.0	\$3,795.5	\$3,599.6	NM	7.1

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.

Labor Demand Remains Strong

Job Openings Exceed the Number of Unemployed



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