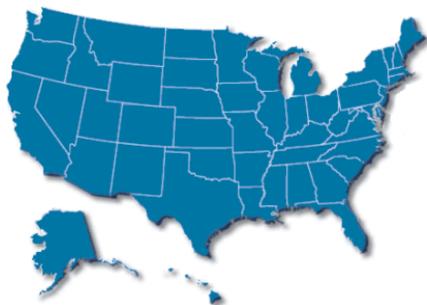


ECONOMIC HIGHLIGHTS



Gross domestic product (GDP), adjusted for inflation, increased at a 6.7% annual rate in the second quarter of 2021 after rising 6.3% in the first quarter of 2021. The increase in real GDP reflected a 12.0% increase in personal consumption expenditures (that contributed 7.9% to the overall growth rate) and increases in nonresidential fixed investment that more than offset decreases in residential investment, inventories, and government spending. While exports increased 7.6% (more than the 7.1% increase in imports), because the US imports more than it exports, the net contribution lowered growth by 0.2%.

Seasonally adjusted **retail sales** in September 2021 were up 12.2% from the level in September 2020. No major sector exhibited a year-over-year decrease in sales in September. The two largest year-over-year gains were reported for sales at gasoline stations (up 38.2%, reflecting both the economic recovery and the rising price of motor fuel), and sales at food services and drinking places (up 29.5%, reflecting the economy's continued recovery from the COVID-19 pandemic).



Michigan **personal income** decreased 26.8% at an annual rate from the first quarter of 2021 to the second quarter, compared to the 21.8% decrease nationwide, ranking Michigan third in the Great Lakes region and 37th across the 50 states. The decline in personal income reflected a decline in transfer payments (72.1% in Michigan, 72.6% nationally) as stimulus payments from the Federal government largely concluded. Other states in the region also showed decreases in personal income: Illinois at -18.6% (ranked 10th), followed by Wisconsin at -25.8% (30th), Indiana at -27.2% (38th), and Ohio at -27.3% (39th).

In Michigan, seasonally adjusted **building permits** for private housing units decreased 2.5% in September 2021 from the September 2020 level, but on a year-to-date basis were up 34.1% from 2020. In contrast, permits nationally were up 1.0% in September 2021 from August 2021, while year-to-date permits were up 22.9%. In Michigan, building permits for single-family units in September 2021 were down 12.1% from September 2020, and up 22.6% on a year-to-date basis.

U.S. & MICHIGAN LABOR MARKET NEWS (Seasonally adjusted, thousands)							
U.S.	Sep 2021	Aug 2021	Sep 2020	Change from Aug		Change from Year Ago	
				Number	Percent	Number	Percent
Labor Force	161,471	161,505	160,153	(34)	(0.0%)	1,318	0.8%
Employment	153,806	153,167	147,569	639	0.4	6,237	4.2
Unemployment	7,665	8,338	12,584	(673)	(8.1)	(4,919)	(39.1)
Unemployment Rate	4.7%	5.2%	7.9%	--	--	--	--
Michigan	Sep 2021	Aug 2021	Sep 2020	Change from Aug		Change from Year Ago	
Labor Force	4,793	4,794	4,844	(1)	(0.0%)	(52)	(1.1%)
Employment	4,521	4,505	4,421	16	0.4	100	2.3
Unemployment	271	288	423	(17)	(5.9)	(151)	(35.8)
Unemployment Rate	5.7%	6.0%	8.7%	--	--	--	--

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



MICHIGAN WAGE AND SALARY EMPLOYMENT (Seasonally adjusted, thousands)							
	Sep 2021	Aug 2021	Sep 2020	Change from August		Change from Yr Ago	
				Number	Percent	Number	Percent
Total Non-Agricultural Jobs	4,223	4,222	4,075	2	0.0%	148	3.6%
Goods Producing Industries	767	762	748	5	0.7	19	2.6
Mining and Logging	7	7	7	0	0.0	0	4.6
Construction	177	177	172	0	0.1	6	3.2
Manufacturing	583	578	570	5	0.8	13	2.3
Transportation Equipment	177	174	175	3	1.5	2	1.3
Service Producing Industries	3,456	3,460	3,327	(4)	(0.1)	129	3.9
Trade, Transportation & Utilities	778	778	759	(0)	(0.1)	19	2.5
Wholesale Trade	164	164	163	0	0.1	2	1.1
Retail Trade	448	450	440	(2)	(0.4)	8	1.9
Transportation & Utilities	166	164	156	1	0.7	9	5.8
Information	53	52	49	0	0.4	4	7.4
Financial Activities	233	233	226	(0)	(0.0)	8	3.4
Professional & Business Services	634	631	600	3	0.4	33	5.6
Education & Health Services	647	651	641	(3)	(0.5)	6	0.9
Leisure & Hospitality Services	379	377	336	2	0.6	43	12.8
Other Services	156	156	145	0	0.2	11	7.3
Government	577	582	571	(5)	(0.8)	6	1.0

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

MICHIGAN AVERAGE WEEKLY HOURS AND EARNINGS (Not seasonally adjusted)						
Industry	Average Weekly Hours			Average Weekly Earnings		
	Sep 2021	Year Ago	Percent Change	Sep 2021	Year Ago	Percent Change
Construction	38.3	37.6	1.9%	\$1,206.07	\$1,137.40	6.0%
Manufacturing	40.2	40.3	(0.2)	948.72	918.44	3.3
Durable Goods	39.9	40.0	(0.3)	961.59	933.20	3.0
Transportation Equipment Mfg.	42.2	42.8	(1.4)	1,265.16	1,234.78	2.5
Motor Vehicle Parts Mfg.	40.7	40.5	0.5	1,120.88	1,015.74	10.4
Nondurable Goods	41.0	41.1	(0.2)	910.61	872.55	4.4
Wholesale Trade	38.8	36.7	5.7	998.71	931.08	7.3
Retail Trade	28.8	28.1	2.5	504.86	468.43	7.8
Information	38.3	38.6	(0.8)	1,077.38	1,026.37	5.0
Financial Activities	36.7	35.8	2.5	953.10	946.55	0.7
Professional & Business Services	34.3	34.8	(1.4)	984.07	913.85	7.7
Health Care & Social Assistance	31.1	29.7	4.7	750.13	677.75	10.7
Leisure & Hospitality	23.3	23.0	1.3	345.54	307.05	12.5
Accommodation & Food Services	23.9	23.6	1.3	347.75	311.76	11.5

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)				
	Sep 2021	Aug 2021	July 2021	Sep 2020
Metropolitan Statistical Areas				
Ann Arbor	3.6%	3.8%	4.7%	5.3%
Battle Creek	5.3	5.8	6.6	7.3
Bay City	4.7	5.1	5.8	6.2
Detroit-Warren-Dearborn	2.9	3.7	4.5	10.1
Flint	6.5	8.3	7.4	8.0
Grand Rapids-Wyoming	3.6	3.9	4.5	5.3
Jackson	4.7	5.1	5.8	6.5
Kalamazoo-Portage	4.1	4.6	5.3	5.8
Lansing-East Lansing	5.0	5.4	5.3	5.7
Midland	3.8	3.9	4.6	5.3
Monroe	5.3	5.2	6.9	5.7
Muskegon	6.2	6.7	7.7	8.6
Niles-Benton Harbor	4.5	4.8	5.6	6.5
Saginaw	5.9	6.6	6.8	7.3
Multi-County Areas				
Northeast Lower Michigan	5.1	5.4	6.2	6.5
Northwest Lower Michigan	4.0	4.2	5.0	5.7
Upper Peninsula	4.0	4.4	5.1	5.3
Michigan Statewide Average (unadjusted - comparable to figures shown above)				
	3.8	4.4	5.0	7.8
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)							
	Sep 2021	Aug 2021	July 2021	June 2021	Year Ago Sep	Percent Change From:	
						Sep/Aug	Sep 2021/ Sep 2020
Motor Vehicle Sales¹⁾							
Autos	2,745	3,076	3,494	3,653	3,731	(10.8%)	(26.4%)
Domestics	1,861	2,116	2,442	2,521	2,833	(12.1)	(34.3)
Imports	884	960	1,052	1,132	898	(7.9)	(1.6)
Import Share	32.2%	31.2%	30.1%	31.0%	24.1%	----	----
Light Trucks	9,543	10,010	11,169	11,819	12,548	(4.7)	(23.9)
Domestics	7,310	7,733	8,565	9,038	9,856	(5.5)	(25.8)
Imports	2,233	2,277	2,604	2,781	2,692	(1.9)	(17.1)
Import Share	23.4%	22.7%	23.3%	23.5%	21.5%	----	----
Subtotal: Light Vehicle Sales	12,288	13,086	14,663	15,472	16,279	(6.1)	(24.5)
Heavy Trucks	405	417	440	477	424	(2.9)	(4.5)
Total Vehicle Sales	12,693	13,503	15,103	15,949	16,703	(6.0)	(24.0)
U.S. Motor Vehicle Production¹⁾							
Autos	1,009	1,494	1,643	1,511	2,357	(32.4)	(57.2)
Michigan Motor Vehicle Production²⁾							
Autos	86	134	160	77	256	(35.4)	(66.3)
Trucks	1,676	1,496	1,614	1,651	1,521	12.0	10.2
Total	1,762	1,630	1,773	1,729	1,777	8.1	(0.8)
Michigan Production as % of U.S.	21.0%	18.8%	19.0%	19.6%	16.1%	----	----
Average Expenditure per Car¹⁾							
Overall	\$ 34,307	\$ 32,762	\$ 31,947	\$ 30,962	\$ 28,083	4.7	22.2
Domestic	\$ 32,117	\$ 30,408	\$ 30,181	\$ 29,487	\$ 26,215	5.6	22.5
Foreign	\$ 39,355	\$ 38,379	\$ 36,399	\$ 34,468	\$ 33,972	2.5	15.8
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.							



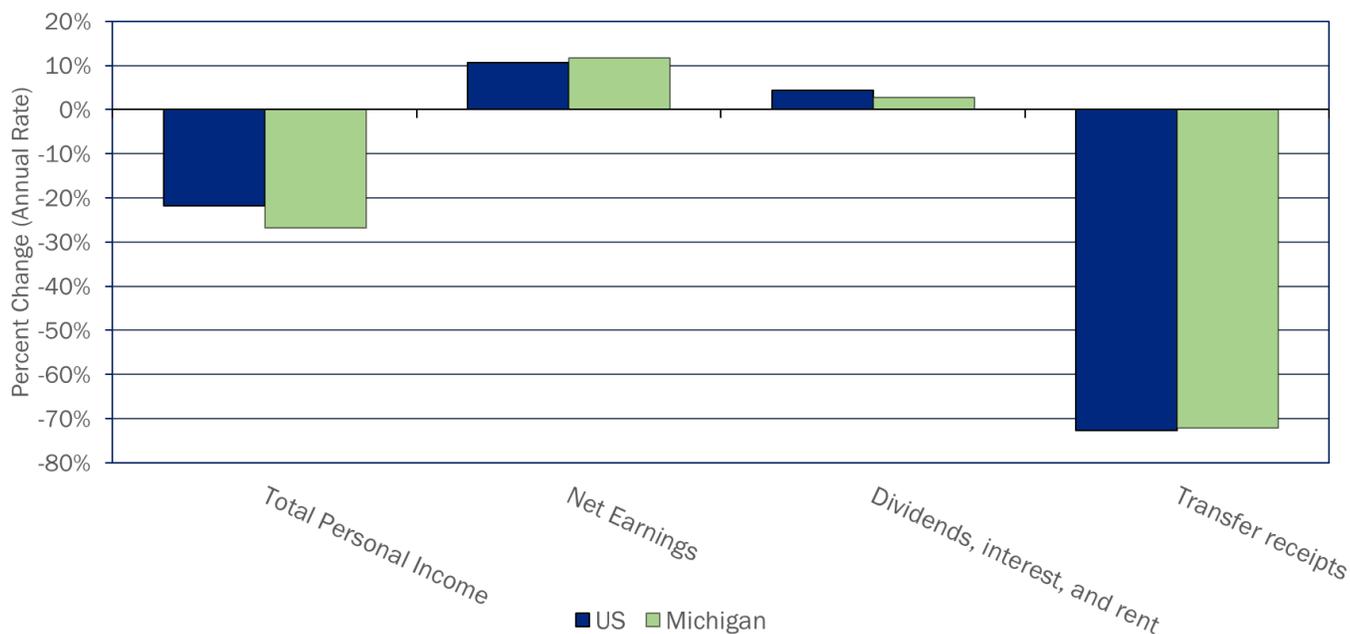
OTHER KEY ECONOMIC INDICATORS						
Variable	Latest Period	Actual Data			Percent Chng From	
		Latest Period	Previous Period	Year Ago	Previous Period ⁹⁾	Year Ago
Index of Consumer Sentiment , monthly ¹⁾ (1996 Q1=100)	Sep	72.8	70.3	80.4	3.6%	(9.5%)
Oil Prices ²⁾ (\$ per barrel, West Texas Intermediate Crude)	Sep	\$71.65	\$67.73	\$39.63	5.8	80.8
Housing Starts, U.S. ³⁾ (thousands of units, SAAR)	Sep	1,559	1,576	1,461	(1.1)	6.7
Retail Sales, U.S. ³⁾ (billions, seasonally adjusted)	Sep	\$552.6	\$546.9	\$492.7	1.0	12.2
Industrial Production Index ⁴⁾ (2007=100, seasonally adjusted)	Sep	99.9	101.1	95.6	(1.2)	4.5
Capacity Utilization ⁴⁾ (% of total capacity, seasonally adjusted)	Sep	75.1	76.1	72.1	(1.3)	4.2
Consumer Price Index ⁵⁾ (1982-84=100)						
U.S. (seasonally adjusted)	Sep	274.2	273.1	260.2	5.0	5.4
Detroit (not seasonally adjusted)	Aug	250.0	248.9	240.6	2.7	3.9
Interest Rates						
3-month Treasury Bill ⁴⁾	Sep	0.04%	0.05%	0.11%	--	--
30-year Conventional Mortgage ⁶⁾	Sep	2.90%	2.84%	2.89%	--	--
Real Gross Domestic Product ⁷⁾ (billions of 2009 \$, SAAR, Chain-Weighted)	2021 2nd Quarter	\$19,368.3	\$19,055.7	\$17,258.2	6.7	12.2
Michigan Tax Collections ⁸⁾ (12 major taxes, millions)	Sep	\$3,348.1	\$2,677.2	\$2,953.3	NM	13.4

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.

Michigan Personal Income Growth, 2nd Quarter 2021

Compared to 1st Quarter 2021, Michigan Falls More than U.S. Average Despite Earnings Rising Faster



Source: Bureau of Economic Analysis, U.S. Department of Commerce