

This is the CBS Detroit Market Update. The Market Update is a monthly report that focuses on the Detroit metro economy. Within this monthly report we will provide vital economic data, as well as specifics on job growth, retail sales, housing data, and so on. In addition to the local economic information, regional and national data are also included.

This report is intended to provide you with a comprehensive overview so that you can be informed on the economic and business conditions that affect your organization.

At CBS we truly want to be a resource for your business. We hope this helps.

### Detroit Home Sales

Existing Single-Family Homes—NSA

	Feb-11	Feb-12
Inventory	12,655	8,082
Under contract	2,111	3,329
Sales	1,875	1,978
Days on the market	100	106

Source: Detroit Board of REALTORS\* NSA = not seasonally adjusted  
Most recent data available

### Detroit Home Permits

Authorized Units Privately Owned—NSA

	Total	Y-Y Change
Dec-10	392	
Dec-11	729	+85.9%
Jan-11	322	
Jan-12	608	+88.2%

Source: U.S. Census Bureau NSA = not seasonally adjusted

### Detroit Employment

National Unemployment Average 8.3%—February 2012—NSA

	Employment Change*	Unemployment Rate
Dec-10	-5,406	8.9%
Dec-11	-13,528	8.1%
Jan-11	-8,509	9.9%
Jan-12	+4,039	8.4%

Source: Bureau of Labor Statistics NSA = not seasonally adjusted  
\*Change from prior month

### Carlson Index

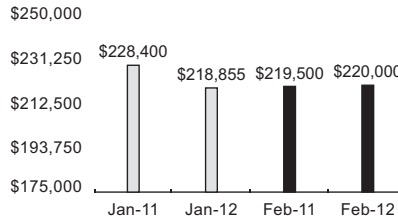
In the month of October, each job in Michigan generated an average of \$4,765 in retail sales expenditures. This represents a 3% increase from October 2011.

Source: The Carlson Group

## Detroit Economic Benchmarks

### Detroit Median Home Price\*

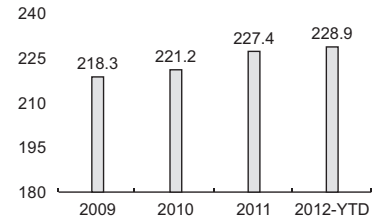
U.S. Median: \$154,700 in January



Source: Detroit Board of REALTORS\*  
\*Median sale price for existing single-family home  
Most recent data available

### Detroit\* Consumer Price Index

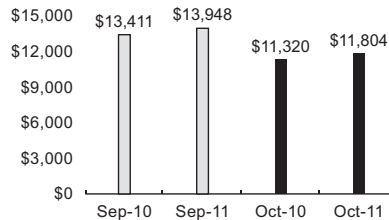
1982–84 = 100 (U.S. Average 227.6) NSA



Source: Bureau of Labor Statistics  
\*West Urban Region NSA = not seasonally adjusted

### Michigan Retail Sales\*

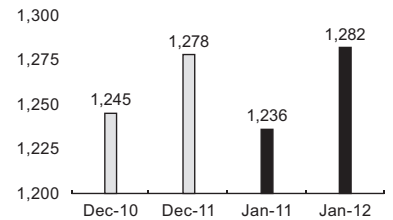
In Millions (000,000s) NSA



Source: Michigan Department of Revenue  
NSA = not seasonally adjusted \*Most recent data available

### Detroit Employment

In Thousands (000s) NSA



Source: Bureau of Labor Statistics  
NSA = not seasonally adjusted

## U.S. Employment By The Numbers

Nonfarm payroll employment: +227,000 ▼ Civilian labor force participation rate: 63.7% **N/C**

Source: Bureau of Labor Statistics, March 2012

## Inside The Economy Conflicted

We want to believe! We want the economy to recover and life to be good again—good, as in being able to work and afford all the goodies our hearts desire that fall within our budget constraints. So, we look at the numbers. Unemployment is coming down; consumer confidence is up; Gross Domestic Product estimates have been revised upwards; auto sales are strong; and . . . uh . . . well, yes. Let the party begin and ignore those who would throw cold water on our parade! Don't let the party-poopers like Ben Bernanke of the Federal Reserve, who thinks high unemployment will persist through the year, spoil our good time. And don't pay attention to the European scene—after all, they're far, far away and all that Greek stuff has about the same significance to us as flies buzzing around roadkill. Hey, the DJIA made it above 13,000, so life is good—oops, wait a minute. Nuts. It just fell below 13,000 (03/06/12) because those pesky analysts think that Europe is going into a recession. What do they know? The good news in the domestic economy, and the generally bad news in foreign economies (China just announced a lower projected real growth rate), makes us feel nervous and conflicted. Frankly, I think Greece is going to fail. Greece sucked it all up. Could be, however, that the U.S. economy will continue to see modest improvement. So, the forecast is for major short-term setbacks in the stock markets, with resultant short-term stock bargains to be had, and continued recovery in the domestic economy, with gradual market recovery as Europe is discounted and U.S. economic prospects brighten.

Author: Ken Maxey

# Local Trends

## Professional Services Detroit Employment

2005	192,400
2006	200,000
2007	211,500
2008	214,100
2009	202,700
2010	202,900
2011	208,600

Source: Bureau of Labor Statistics

## Per Capita Income Personal Income in Detroit

2004	\$41,285
2005	\$43,249
2006	\$46,211
2007	\$47,333
2008	\$48,595
2009	\$46,611
% of U.S. average	119%

Source: Bureau of Economic Analysis  
Most recent data available

## Michigan Farm Income In Thousands (000) of Dollars

2004	\$6,529,652
2005	\$6,990,667
2006	\$7,212,475
2007	\$7,343,014
2008	\$7,446,494
2009	\$6,669,437
2010	\$6,961,125

Source: Bureau of Economic Analysis

## Michigan Population Forecast for 2030

Age	2000 Total	2030 Forecast	Change from 2000	Percent Change
Under 18	1,100,795	1,464,836	364,041	33.1%
5-17	803,290	1,038,741	235,451	29.3%
18-24	430,111	575,512	145,401	33.8%
25-44	1,400,850	1,565,417	164,567	11.7%
45-64	953,432	1,230,314	276,882	29.0%
65+	416,073	956,278	540,205	129.8%
Total	4,301,261	5,792,357	1,491,096	34.7%

Source: U.S. Census Bureau

## Quick Fact

# 1.5%

The annual decline in total private businesses between Q2-2010 and Q2-2011 in the state of Michigan. Total number of current business is 166,245.

Source: U.S. Census Bureau

# National Trends

## U.S. Employment Outlook

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook
Q2-2012	18%	6%	72%	4%	12%
Q1-2012	14%	9%	70%	7%	5%
Q4-2011	16%	11%	70%	3%	5%
Q3-2011	20%	8%	69%	3%	12%
Q2-2011	16%	6%	74%	4%	10%

Source: Manpower Survey Q2-2012

Data is based on interviews with 18,000 employers, who were asked how the current employment situation will change in the next three months

## U.S. Job Openings, SAAR

Survey Date	Job Openings (000s)
December 2011	3,376
November 2011 (r)	2,921
October 2011	3,315
September 2011	3,454
August 2011	3,129
July 2011	3,228
June 2011	3,169
May 2011	3,034

Source: Bureau of Labor Statistics SAAR = seasonally adjusted annual rate (r) = revised data

## Employment Cost Index, NSA

	Index Number	12-Month Change
Q1-2011	114.0	1.0%
Q2-2011	114.8	2.2%
Q3-2011	115.2	2.8%
Q4-2011	115.5	2.0%

Source: Bureau of Labor Statistics 2005 = 100.0 NSA = not seasonally adjusted

## Personal Income

In Billions of Dollars, SAAR

	Aug-11	Sept-11	Oct-11 (r)	Nov-11 (r)	Dec-11 (r)	Jan-12
Personal income	13,028 ▼	12,990 ▼	13,135 ▲	13,140 ▲	13,200 ▲	13,280 ▲
Disposable personal income	11,619 ▼	11,576 ▼	11,706 ▲	11,704 ▼	11,752 ▲	11,766 ▲

Personal consumption expenditures

Source: Bureau of Economic Analysis SAAR = seasonally adjusted annual rate (r) = revised

	Aug-11	Sept-11	Oct-11 (r)	Nov-11 (r)	Dec-11 (r)	Jan-12
Personal consumption expenditures	10,767 ▲	10,840 ▲	10,866 ▲	10,925 ▲	10,878 ▼	10,901 ▲

## Consumer Price Index Medical, NSA

	Jan-11	Jan-12	Y-Y Change
Medical care	393.4	403.5	+3.6%
Medical care services	417.0	432.5	+3.7%
Hospital services*	234.7	248.4	+5.8%
U.S. all items	220.2	226.6	+12.9%

Source: Bureau of Labor Statistics NSA = not seasonally adjusted \*1996 = 100.0

## Domestic Automotive Units (000s)

	U.S. Production	Unit Sales	Inventory Level
Dec-10	212.9	337.1	755.2
Dec-11	285.5	374.4	826.0
Jan-11	213.5	346.1	806.9
Jan-12	349.8	445.0	884.1

Source: Bureau of Economic Analysis

## Gross Domestic Product

Q4-10	2.3%
Q1-11	0.4%
Q2-11	1.3%
Q3-11	1.8%
Q4-11 (r)	3.0%

Source: Bureau of Economic Analysis Percent change from prior qtr.

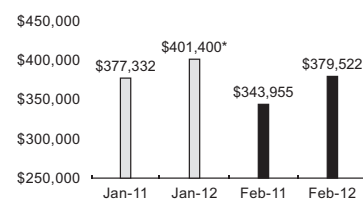
## Consumer Confidence Index

Oct-11	40.9
Nov-11	55.2
Dec-11	64.8
Jan-12 (r)	61.5
Feb-12 (p)	70.8

Source: The Conference Board 1985 = 100 (p) = preliminary (r) = revised

## Total U.S. Retail Sales

In Millions (000,000s) NSA



Source: U.S. Department of Commerce NSA = not seasonally adjusted \*revised data Most recent data available