



StateRegion
OF THE

ECONOMIC INDICATOR *UPDATE*

*RELEASE DATE:
APRIL 2026*

The Economic Indicator Update complements the Detroit Regional Chamber's annual State of the Region report by providing timely updates on key economic metrics throughout the year.

Together, these reports offer insights on business growth, employment, innovation, and consumer trends, helping leaders make strategic decisions in a changing economic environment.

For more economic indicators and Chamber perspectives visit, detroitchamber.com/research.



Data Note: Due to the Federal Government shutdown in October and November 2025, many data sets have been delayed or not released. Where possible, data has been included. Months with no reported data will be shown as gaps.



Metric	Pre-Pandemic	Year-Over-Year Comparison	Latest	Trend
GDP, MI	2.3% (Q4 2019)	1.3% (Q4 2024)	1.5% (Q4 2025)	Real GDP in Q4 exceeded the nation, however annually the state's 1.2 growth lagged the nation's 2.1 growth and ranked the state 40 th .
GDP, US	2.8% (Q4 2019)	1.9% (Q4 2024)	0.5% (Q4 2025)	Real GDP dropped significantly in Q4 due in large part to the October and November shutdown.
Private Sector Jobs, Detroit Region	2.13M (Dec. 2019)	2.18M (Dec. 2024)	2.18M (Dec. 2025)	Private sector jobs are down from a June peak of 2.2M. Levels in November are 0.2% above the same month in 2019.
Unemployment, Detroit MSA	4.0% (Jan. 2020)	5.1% (Jan. 2025)	4.9% (Jan. 2026)	Detroit Region's unemployment declined from a recent high of 5.3% in March 2025. Rate 0.6 p.p. above the U.S. level.
Unemployment, US	3.6% (Jan. 2020)	4.0% (Jan. 2025)	4.3% (Jan. 2026)	U.S. unemployment rate has remained at, or near, 4.3% since mid-2025.
Initial Unemployment Claims, MI	8.9K (Q1 2019)	9.9K (Q1 2025)	9.1K (Q1 2026)	Initial unemployment claims remain steady, declining 8% year over year, however 8% higher than the same quarter in 2019.
Job Postings, Detroit MSA	152.3K (March 2020)	96.5K (March 2025)	114.1K (March 2026)	Bump in job postings in March, increasing 18% year over year, and reaching the highest monthly level since 2023.



Metric	Pre-Pandemic	Year-Over-Year Comparison	Latest	Trend
Consumer Price Index, Detroit MSA	2.6% (Feb. 2020)	3.3% (Feb. 2025)	2.3% (Feb. 2026)	Regional inflation ticked up in 2026 Q1, with increases seen across categories, after trending downward since 2022.
Consumer Sentiment, US	89.1 (March 2020)	57.0 (March 2025)	53.3 (March 2026)	Historic low. Over the 75 years of the survey, March recorded the 9 th lowest sentiment level.
US CEO Confidence	n/a (Dec. 2019)	5.0 (March 2025)	5.9 (March 2026)	Sharpest drop in CEO sentiment entering 2026 in 20 years of survey. Geopolitical tensions cited as a concern, despite revenue increases expected in 2026.
Manufacturing PMI®	49.1 (March 2019)	49.0 (March 2025)	52.7 (March 2026)	Manufacturing purchasing activity moved into expansion in 2026, due to strong demand and increased new orders.
Automotive Sales, US, SAAR	16.7M (Feb. 2020)	17.9M (March 2025)	16.3M (March 2026)	U.S. vehicle sales cooled in Q1, with annual sales expected to level after a strong 2026 due to policy changes leading to pull ahead purchases.
Business Applications, MI	20.5K (Q4 2019)	28.2K (Q4 2024)	39.4K (Q4 2025)	Strong, sustained growth. 60% increase in annual new business applications over 2019 levels, along with 40% increase in Q4 year over year.
Home Price Index, Detroit MSA	129 (Dec. 2019)	192 (Dec. 2024)	200 (Dec. 2025)	Detroit Region's home price growth of 4% exceeds nation's 1%, yet remains affordable compared to peers.



Michigan's GDP Growth Lags the Nation in 2025

GDP growth in Q4 was severely impacted by the October and November government shutdown. Nationally government spending dropped 17% in the last quarter, subtracting over 1 percentage point from the inflation-adjusted GDP.

Michigan's annual GDP growth of 1.2% ranked the state 40th among all states in 2025, and trailed the nation's 2.1% growth. The state's economy was disproportionately impacted by fluctuating federal policies in 2025, including the shifts in EV and trade policy.

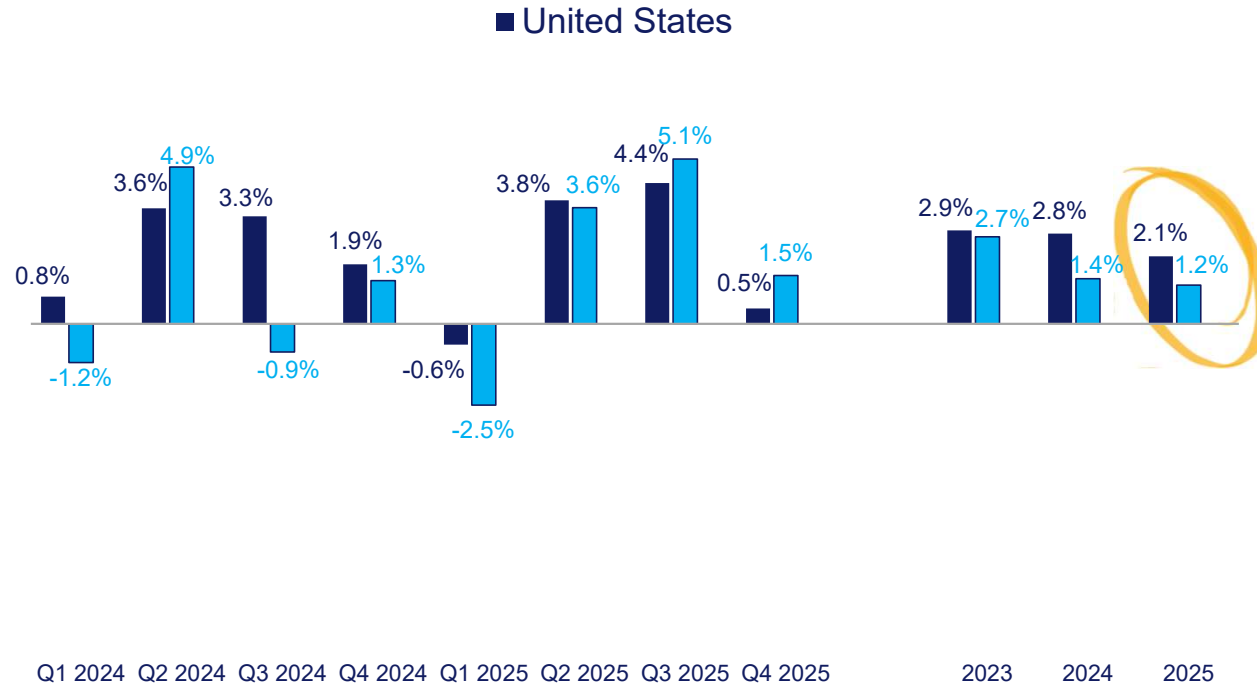
“THE NUMBER ONE MOST EXPOSED STATE TO TARIFFS IS MICHIGAN – NUMBER ONE IN THE WHOLE COUNTRY.”

AUSTAN GOOLSBEE

President and Chief Executive Officer,
Federal Reserve Bank of Chicago,
at the 2025 Mackinac Policy Conference



Real GDP Percent Change from Preceding Period



Source: Bureau of Economic Analysis



Private Sector Job Growth Stagnates in the Region

Private sector job levels in the Detroit Region in December 2025 matched that of a year prior. The U.S. also recorded flat job growth.

The Region has seen slowing job growth for the past two years, after swings in job loss and growth in the years during and after the pandemic.

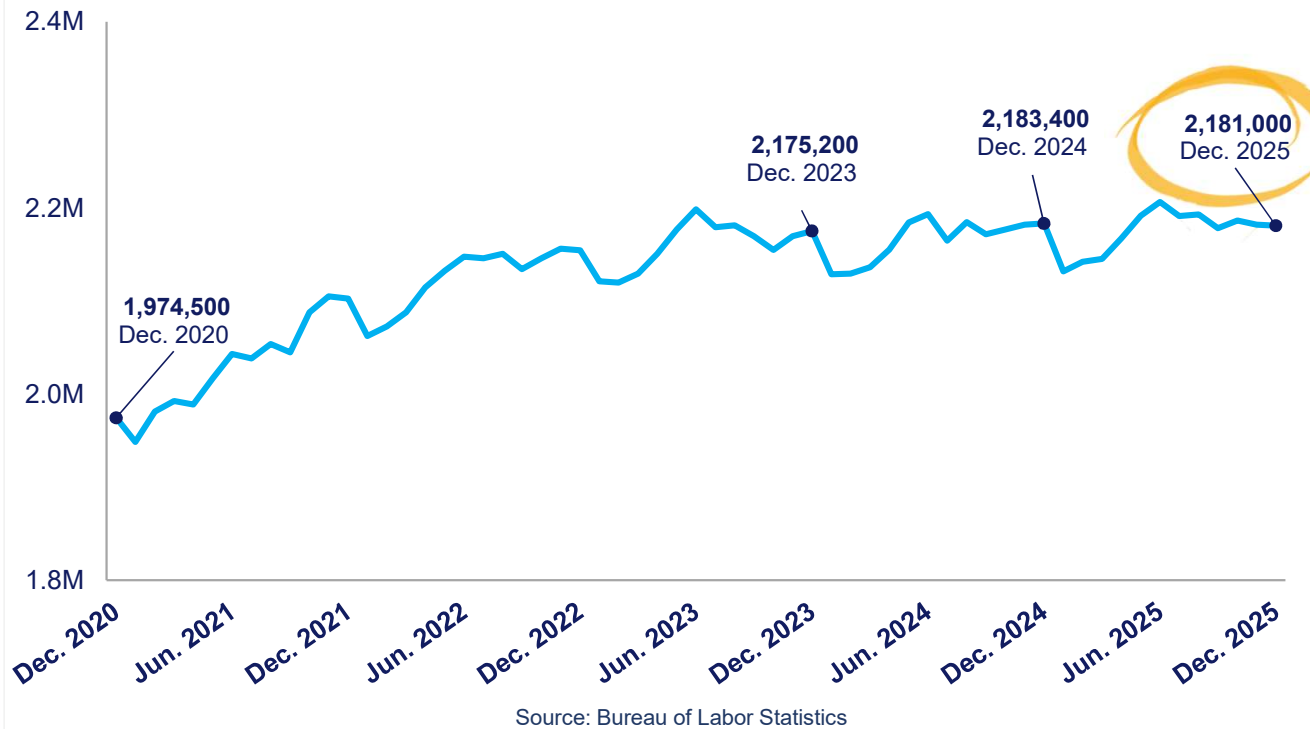
Annual Job Growth Slows

Nonfarm Employment, Detroit MSA



Private Sector Jobs

Detroit Region, Not Seasonally Adjusted



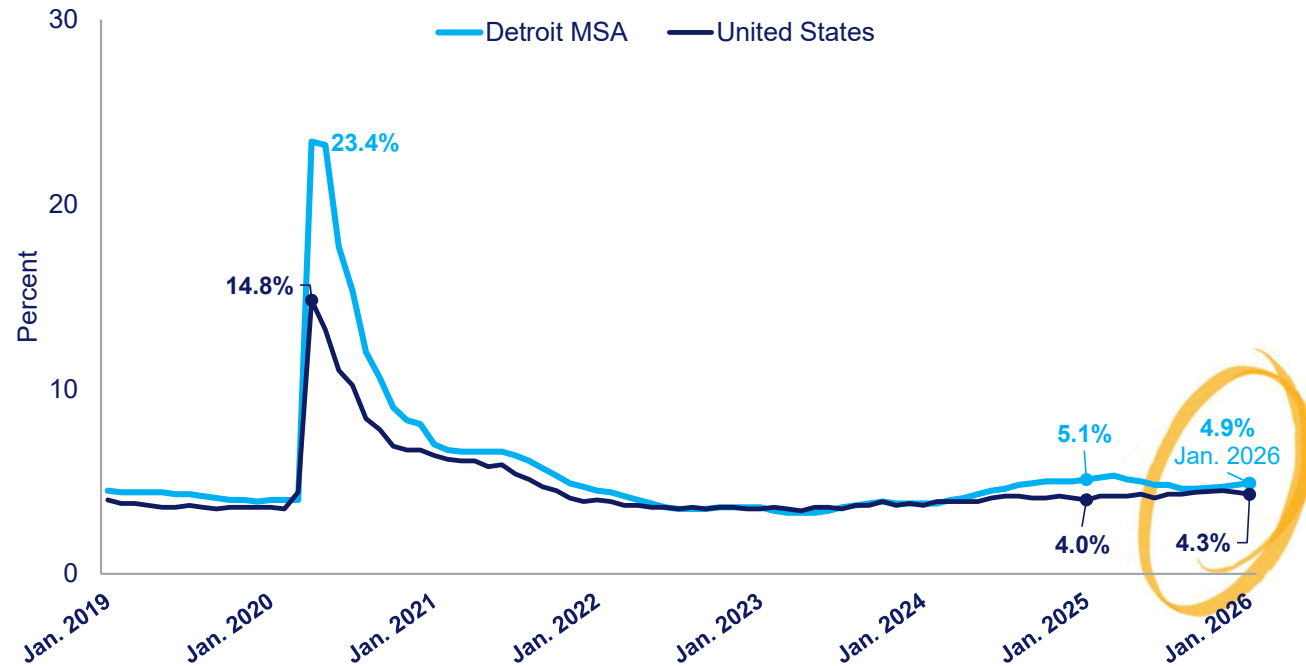
Detroit Region's Unemployment Rate Remains Under 5%, Yet Much Higher than Peers

The Detroit Region's unemployment rate diverged from the nation's rate beginning in 2025. After peaking for the year at 5.3% in March, the Region's unemployment reached 4.9% in January.

The past four years have recorded annual unemployment below 5% for the Region; however, among 20 peer regions, Detroit ranked 19th in unemployment rate for the latest month available.



Monthly Unemployment Rate Detroit MSA and United States, Seasonally Adjusted



Source: Bureau of Labor Statistics



Unemployment Rate December 2025 (latest available by peer regions)

- 1 Indianapolis 2.5%
- 2 Nashville 2.9%
- 3 Austin 3.2%
- 19 Detroit 4.7%

Early Indicators Show Stable Labor Market

Initial unemployment claims serve as a leading indicator of labor market conditions, as claims are released weekly. Movement in claims data is used to gauge economic momentum by analysts and policymakers.

The labor market in Michigan remains steady but is cooling. Claims in the state have remained stable in the first quarter of 2026, dropping 8% from the same quarter in 2025. However, levels are elevated from those seen in 2023 and 2024, up 14% and 18% respectively in Q1.

Initial Unemployment Claims

Q1 2026, Year Over Year

-4%

United States

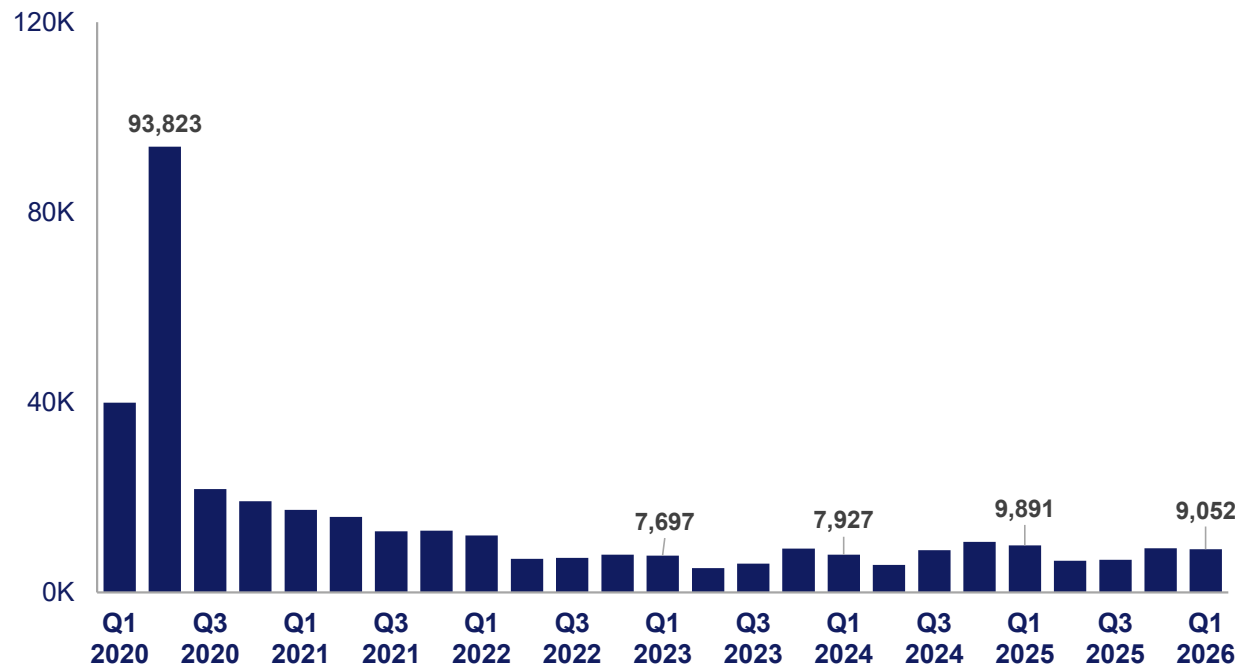
-8%

Michigan



Initial Unemployment Claims

Average, Michigan, Not Seasonally Adjusted



Source: U.S. Employment and Training Administration



Job Postings See Growth in March

The Region and the nation saw double-digit growth in job postings in March year over year. February and March generally see increases after the post-holiday slowdown. However, postings were 18% higher than the same month last year and exceeded the national growth of 11%.

Postings are down from pre-pandemic levels with 25% fewer postings as the same month in 2020, significantly more than the national decline.

Job Postings March

11%

United States
Year Over Year

18%

Detroit MSA

-4%

United States

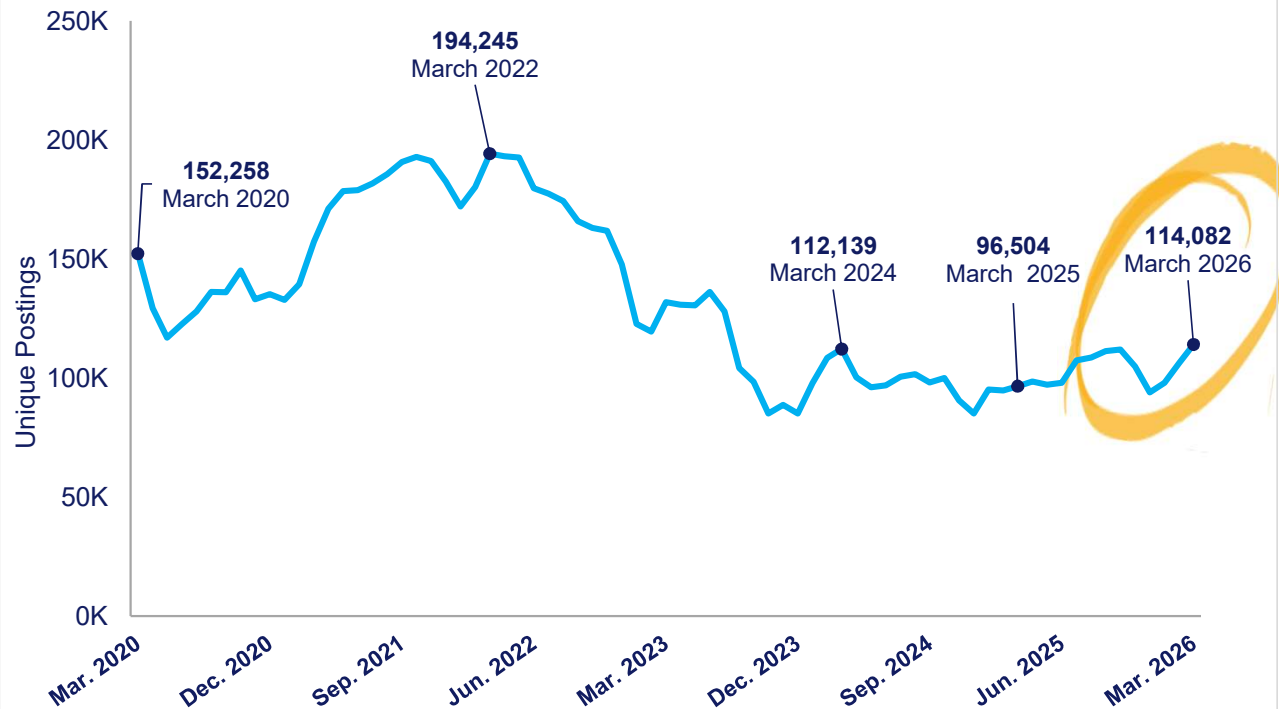
2020-2026

-25%

Detroit MSA



Job Postings Detroit MSA



Source: Lightcast



Consumer Sentiment at Historic Lows, Drops Further From a Year Ago

Consumer sentiment dropped in March, after slight upticks in January and February. Levels remain among the lowest ever recorded. Over the nearly 75 years of the survey, March 2026 was the 9th lowest level recorded.

All ages and political parties saw declines in sentiment. Middle- and higher-income consumers exhibited particularly large drops in sentiment, rocked by rising gas prices, volatile financial markets and the conflict in Iran.

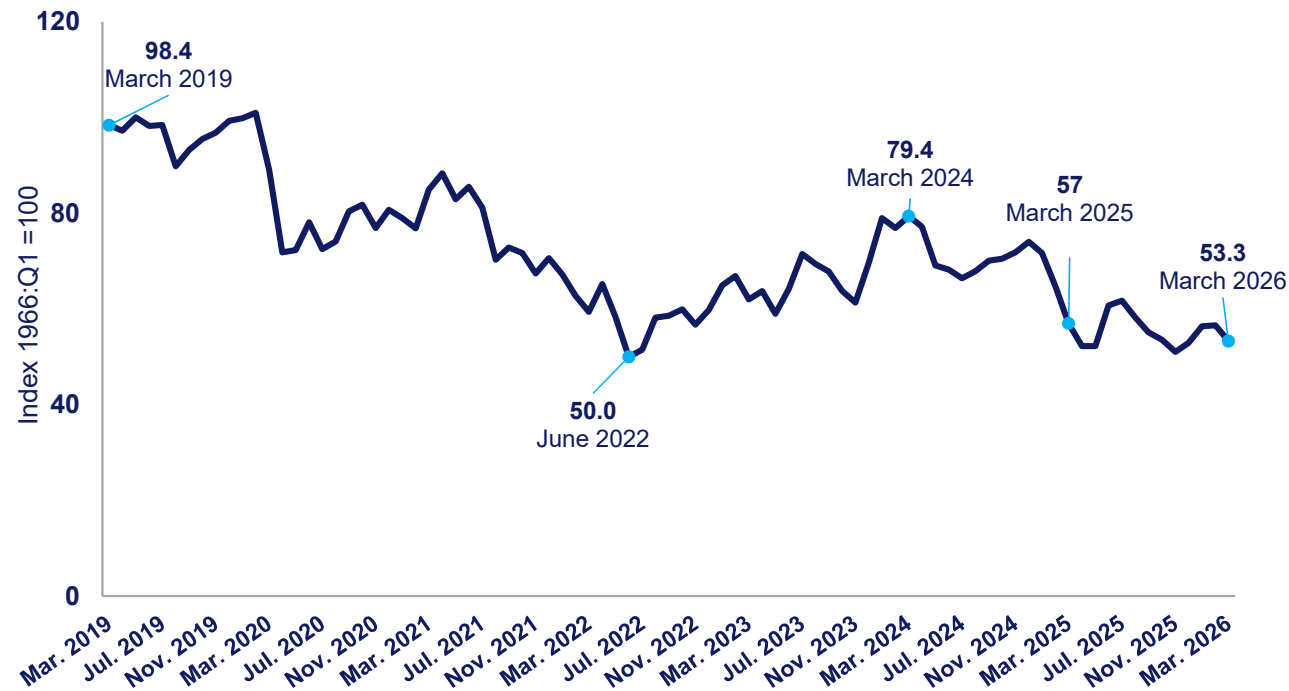
Consumer Sentiment Year Over Year

-7%

March 2026



Index of Consumer Sentiment



Source: University of Michigan



Inflation in the Region Ticks up in 2026

Inflation in the Detroit Region declined from its peak in 2022 until mid-2025. Rates have begun to increase in 2026, with increases seen across categories.

The largest increases in regional prices in February 2026 compared to the previous year:

- Meat, poultry, fish, and eggs +6.5
- Non-alcoholic beverages +6.7
- Medical care +4.6
- Housing +3.6

Consumer Price Index February Over Last 12 Months

2.4%

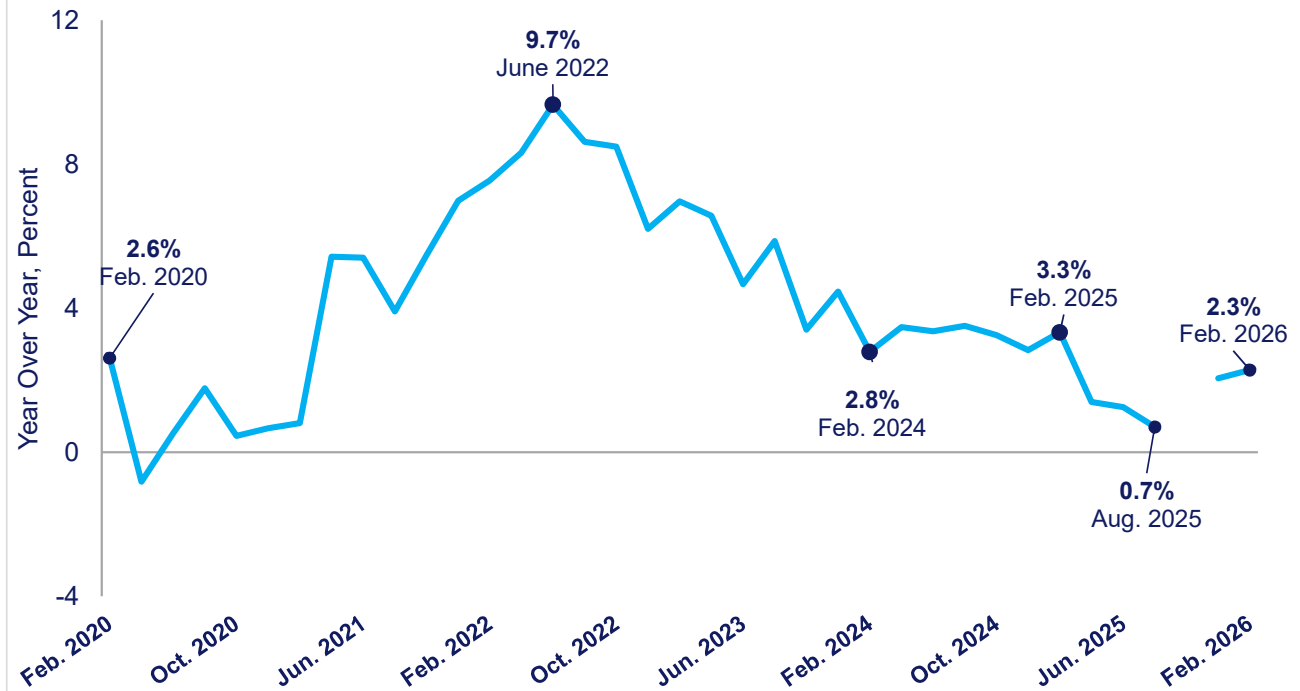
United States

2.3%

Detroit MSA



Consumer Price Index Detroit MSA



Source: Bureau of Economic Analysis Note: No data released for October 2025.



US CEO Confidence Declines in March

After peaking in December 2024, CEO confidence dropped in Spring 2025 with the tariff rollout and gradually rose until the government shut down in the fall. Confidence dropped below the 6.0 index reading in March 2026, as concerns about domestic and geopolitical tensions rose.

The survey highlights the complexity of the business environment today, as three-quarters of leaders optimistically forecast increasing revenues in the year ahead despite the subdued sentiment.

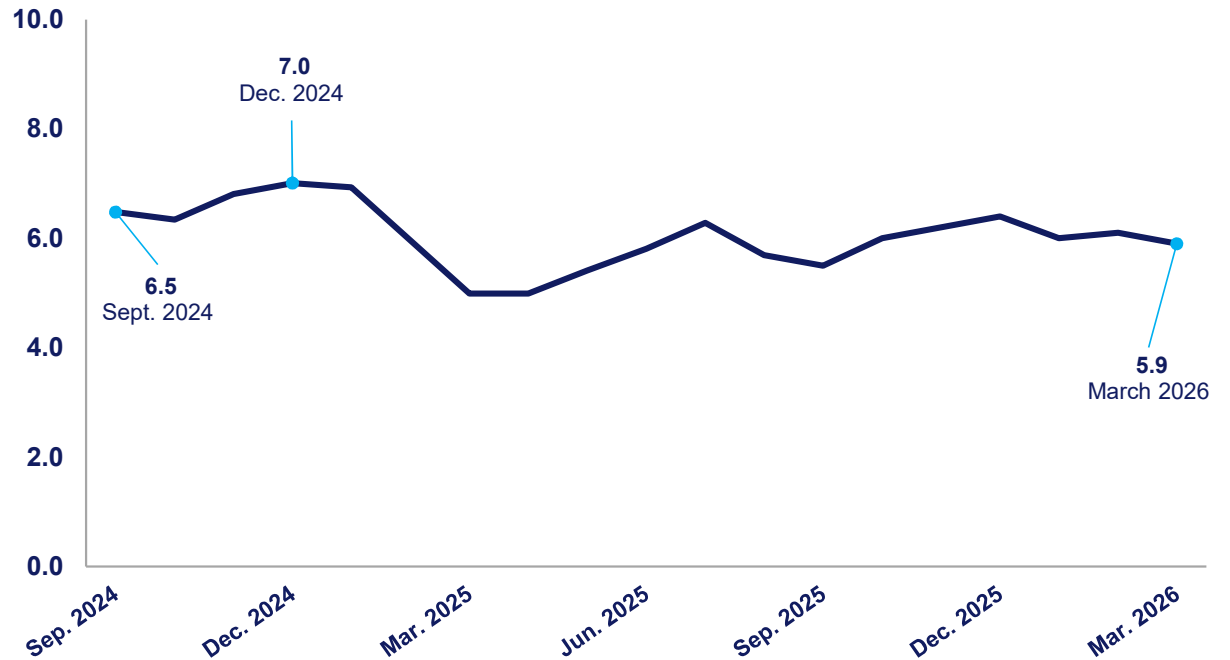
Sharpest Drop in CEO Sentiment Entering 2026 in 20 Years of Survey

-5.8%

2026



US CEO Confidence Index Forecast Business Conditions 12 Months Out



Source: Chief Executive Group Note: 1-2: Poor 3-4: Weak, 5-6: Good, 7-8: Very Good, 9-10: Excellent



Spike in Manufacturing Purchasing Manager's Activity in Q1 2025

Strong demand and increased new orders have kept the manufacturing sector in expansion territory in early 2026. March's reading was the highest since August 2022, and the 3rd month above the 50-level, indicating expansion.

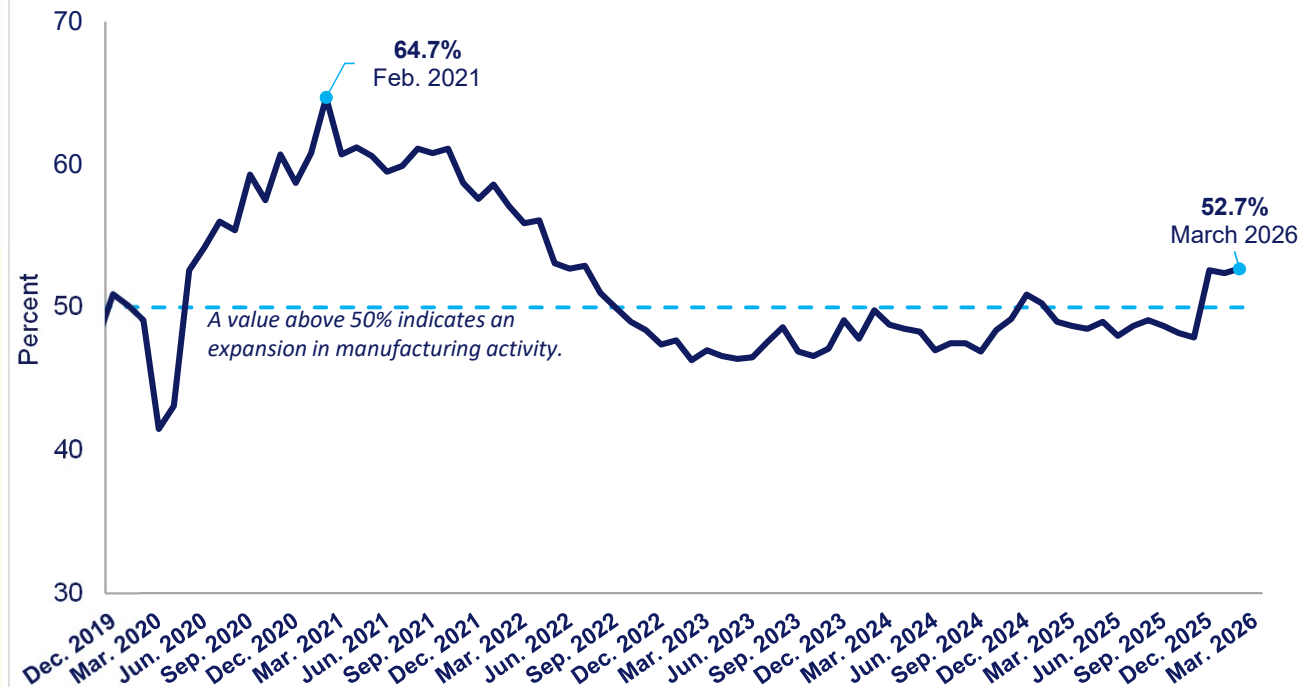
Signs of worry remain - including geopolitical conflicts, ongoing tariff policy impacts, and rising prices. The price index is of particular concern, as 17 of the 18 sectors showed price increases in March.

“IT'S EVERYTHING CONVERGING AT ONCE. YOU'VE GOT TARIFFS THAT ARE HITTING OUR EQUIPMENT COSTS. YOU'VE GOT TARIFFS THAT ARE HITTING OUR RAW MATERIAL COSTS. YOU'VE GOT THE INDUSTRY ITSELF, WHERE PROGRAMS ARE BEING DELAYED OR CANCELED, MARGINS ARE BEING SQUEEZED.”

MARY BUCHZEIGER,
Chief Executive Officer,
Lucerne International



Manufacturing PMI® Purchasing Manager's Index



Source: Institute for Supply Management®



Vehicle Sales Weaker in Q1 2025, Expect Lower Annual Sales in 2026

The first quarter of 2026 saw a decline in vehicle sales as rising gas prices, vehicle affordability, and low consumer confidence weighed on the market.

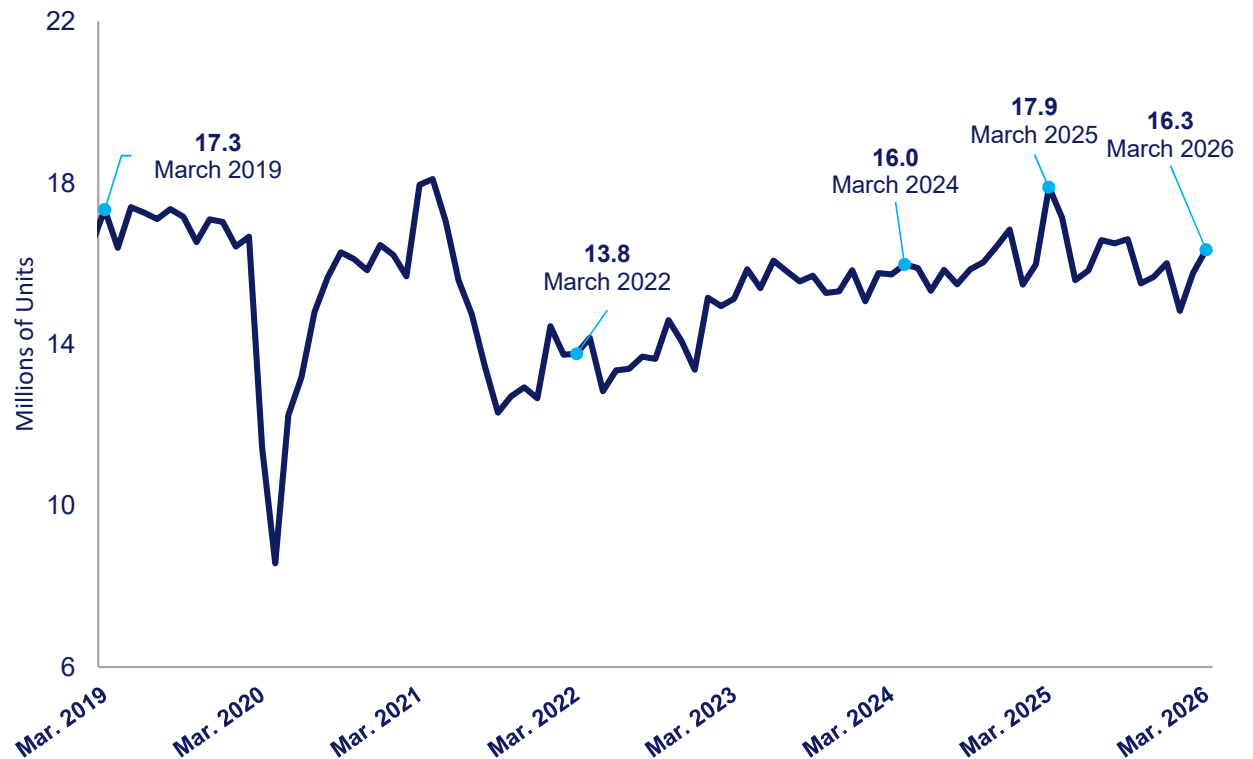
Experts expect lower sales volumes in 2026, as last year saw policy-driven sales volatility with pre-tariff purchasing and pull-ahead buying of EVs in advance of incentives expiration.

US Light Vehicle Sales Forecast 2026

15.8M	15.9M	16.3M
Cox Automotive	S&P Global Mobility	JD Power



Annual US Light Vehicle Sales Seasonally Adjusted Annual Rate (SAAR)



Source: U.S. Bureau of Economic Analysis



New Business Application Levels Remain Strong

The surge in new business applications seen after the pandemic has not waned. The sustained elevated levels of business creation have been attributed to digital transformation and online business platforms, rise in remote work and gig economy, and increased interest in flexibility and autonomy.

Compared to 2019 levels, the state and nation saw 60% annual growth in applications in 2025. Michigan has seen 40% growth in Q4 2025 over the same quarter in 2024, exceeding the nation's growth of 23%.

Business Application Growth 2025 Q4 Year Over Year

23%

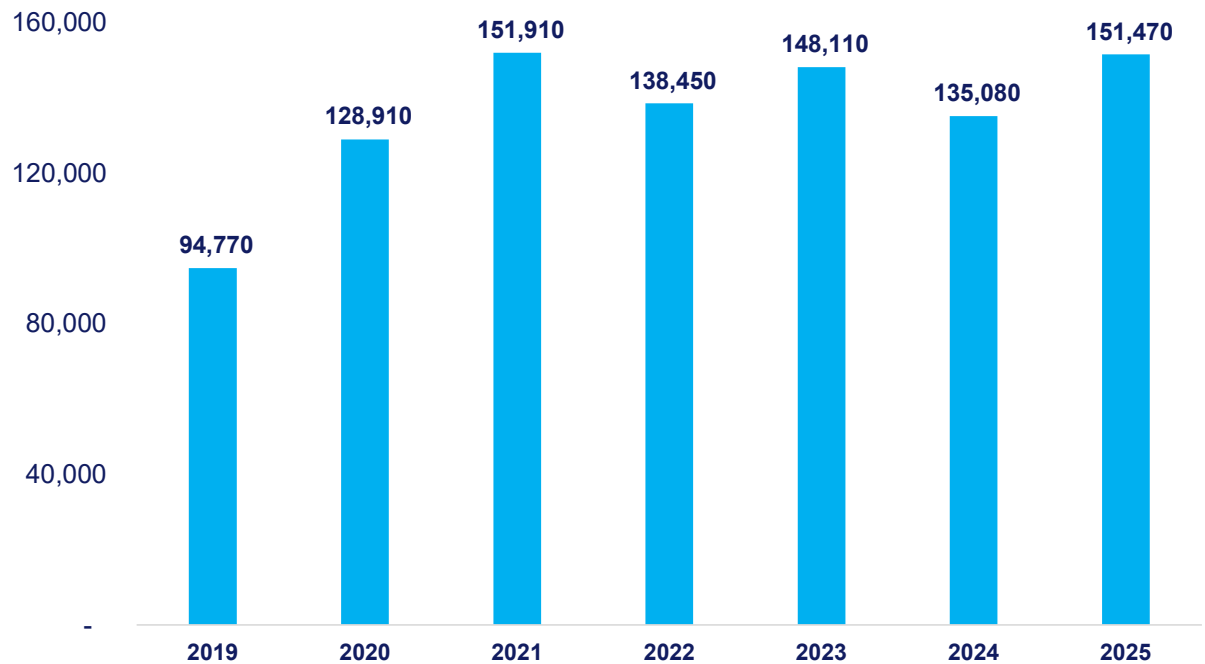
United States

40%

Michigan



Business Applications Michigan, Not Seasonally Adjusted



Source: U.S. Census Bureau



Housing Affordability is Distinct Advantage in Detroit Region

The Region remains an affordable housing market compared to the nation and peers, ranking 3rd most affordable among 20 peers with an average home price of \$284,600 in 2025.

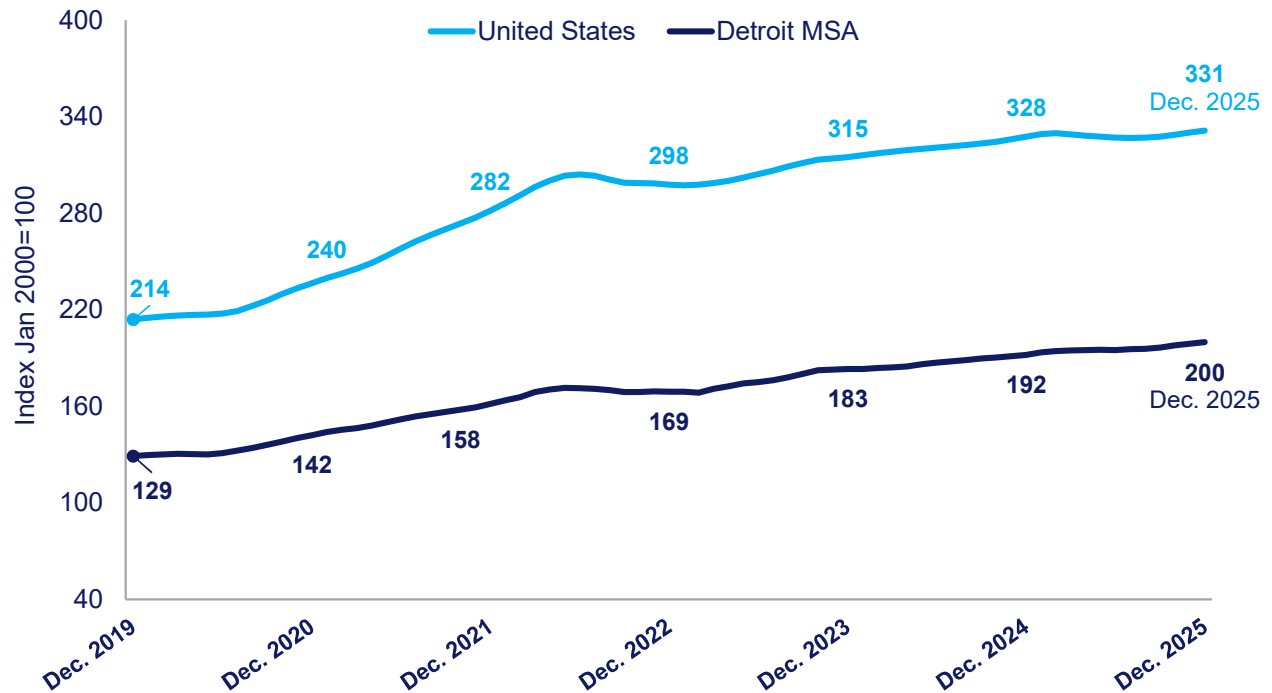
The Detroit Region's home prices have grown 4% YOY, more than the nation's 1% growth, as measured by the home price index using a three-month average and indexed to 2000.

The number of housing building permits in the Region lags peers, ranking 14th among 20. Focus remains on new housing availability and demand, as roughly 85% of the Region's housing units were built prior to 2000.

Housing Building Permits Per Capita, 2025



Home Price Index Detroit MSA and United States, Seasonally Adjusted



Source: S&P Dow Jones Indices LLC

