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West Michigan Current Business Trends

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Economy at a Three-Year High, Tariff Chaos Continues

Key Take-Aways from June 2025 Statistics:

- **NEW ORDERS Index rises to +21 from +14, a Three-Year High.**
- **Industrial Employment Situation Still Holding Steady.**
- **Tariffs Continue Confusing Business Planners, but Some are Adjusting.**

	June	May.
↑ NEW ORDERS Index (business improvement)	+21	+14
↑ PRODUCTION Index (aka "output")	+28	+14
↓ EMPLOYMENT Index	+0	+0
↓ LEAD TIMES Index	+4	+18

Key Participant Comments for June

"Sales continue to be strong, and we are eagerly awaiting to see how the market comes back after the summer automotive shutdowns."

"Business levels remain down compared to last year. We are doing a lot of quoting so perhaps things will pick up soon!"

"Another month solidly above budget. Our backlog is shrinking but still above normal."

"We are starting to realize the financial impacts of the tariffs on incoming parts from Europe, Indonesia and China, as well as our products shipped to Canada."

"Most of our purchases are made from outside the U.S. Taiwan exchange rates are hurting us, and we're worried about other exchange rate changes."

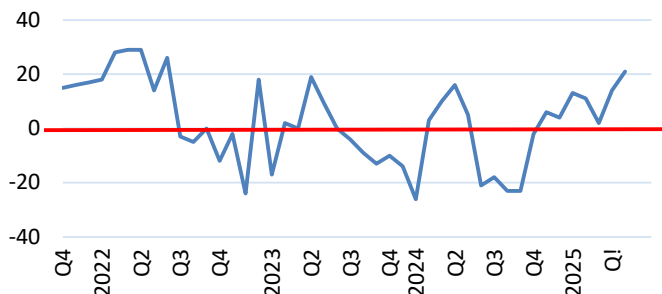
The Local Economy. It is obviously good news that the West Michigan industrial economy continues to gain strength, given we expected the summer economy to be positive though less robust. According to the data collected in the last two weeks of June, NEW ORDERS, our index of business improvement, rose to +21 from +14, a three-year high. In a similar move, the PRODUCTION Index, a.k.a. "output," shot up to +28 from May's +14, a 38-month high. Rising prices and ever-changing tariffs generated more activity in purchasing officers driving the index of PURCHASES up to +15 from +2. Industrial inflation, which was almost nonexistent six months ago, has returned with a vengeance. During the pandemic, supply managers developed a lot of supply chain workarounds, and the knowledge they gained has helped to mitigate the current tariff crisis. Unfortunately, the current prices for some foreign goods are nonetheless so low that paying the tariffs is still cheaper than buying from a domestic source. That said, this month's respondents appear to be better adjusted to the daily ups and downs of the tariff wars, and they are hoping that FIRM agreements can soon be reached with at least some of our major trading partners.

The U.S. Economy. The monthly survey conducted by the Institute for Supply Management (ISM) reported that the all-important index of NEW ORDERS for June edged lower to -7 from -2 in May. However, the June PRODUCTION Index turned positive and posted at +2, up nicely from -6 in May. ISM's INVENTORIES Index recovered slightly to -4 from -6. The ORDER BACKLOG Index for June fell to -12 from -6. ISM's index of NEW EXPORT ORDERS remained negative but recovered to -8 from -20. After statistical adjustments, ISM's Composite Index, a compilation of all the aforementioned statistics, remained below the 50.0 break-even point but recovered to 49.0 from 48.5.

By significant contrast, the monthly survey of U.S. purchasing agents conducted by S&P Global, the British-based economic consulting firm, reports "...June operating conditions improving to the greatest degree in three years." S&P's "headline" index rose to 52.9 from 52.0 in May. S&P's Employment Index increased at the fastest pace in 30 months. The Business Confidence Index improved to the highest level in four months. Inflation, measured by the S&P index of Prices, rose to its highest level in three years. Chris Williamson, Chief Business Economist at S&P, further noted:

"June saw a welcome return to growth for U.S. manufacturing production after three months of decline, with higher workloads driven by rising orders from both domestic and export customers. Reviving demand has also encouraged factories to take on additional staff at a rate not seen since September 2022. However, at least some of this improvement has been driven by inventory building, as factories and their customers in retail and wholesale markets have sought to safeguard against tariff-related price rises and possible supply issues. It therefore seems likely that we will get pay-back in the form of slower growth as we head into the second half of the year. These price pressures are already building, with factories reporting steep cost increases again in June, linked to tariffs, which they are passing through to customers. The big question

West Michigan Index of New Orders: 2021-2025



of course is whether this merely results in a short-term change in the price level rather than a more worrying return of stubborn inflation. More encouragingly, business confidence has continued to improve from the low-point seen in April, with US manufacturers becoming more optimistic in the face of fewer trade and tariff worries compared to the heightened uncertainty seen in April. That said, many firms remain cautious as they await news of trade deals."

The World Economy. Each month, J.P. Morgan combines the PMI surveys from purchasing managers for almost all the major industrial economies in the world. For June, JPM's Global Manufacturing PMI moved back into expansion and edged slightly above the 50.0 break-even point to close at 50.3. New Orders rose to 50.1 from 49.0, and the Production Index, which had been marginally negative for several months, bounced up to 51.1 from 49.0. Among the major world economies, India again posted the strongest report, partially driven by an influx of firms from both Europe and the U.S. moving production out of China to friendlier venues. In addition to the U.S., positive PMIs from Greece, China, Ireland, Spain, Australia, and the Netherlands helped bring the composite PMI back into positive territory. Regrettably, the tariff wars have severely impacted Canada and Mexico, our two biggest trading partners, resulting in the purchasing managers indices for both countries slipping further into negative territory. Negative PMIs were also posted by Austria, Poland, Germany, Japan, and the United Kingdom. Maia Crook, Global Economist at JPM, commented:

"The J.P. Morgan global manufacturing output PMI rebounded in June, rising 2.3-pts to 51.3 as both the U.S. and China climbed to multi-month highs. Forward-looking indicators of demand were similarly constructive, with new orders and export orders PMIs recovering 1.1-pt and 1.3-pt, respectively. The rebound contrasts with the downshift in global goods sector activity we see coming after output boomed earlier this year. While we still have little doubt that a sharp deceleration is in the offing, the June PMI bounce-back suggests the underlying pace of growth may be holding up through the middle of the year. With the tariff drags still building, however, and some sector tariffs yet to be implemented if at all, it remains to be seen how long this resilience will last."

For the eurozone economy, a composite PMI is compiled by the Hamburg Commercial Bank. For June, the HCOB Eurozone Manufacturing PMI rose to 49.5, slightly below the 50.0 break-even point, but still reflecting a 34-month high. Positive PMIs were reported by Greece, Ireland, Spain, and the Netherlands, but the PMIs for Germany, Italy, Austria, and France remained modestly negative. It is a regrettable fact the wars or the threat of wars stimulates economies, and the recent agreement by the NATO countries to spend considerably more on defense is probably helping the eurozone PMI. Dr. Cyrus de la Rubia, Chief Economist at HCB, further noted:

"There are signs of some stabilization in the manufacturing sector. Companies have now expanded production slightly for the fourth month in a row, order intake has ceased to fall, and slightly longer delivery times also indicate that demand is picking up a bit. Against the backdrop of numerous uncertainties – US tariffs, the crisis in the Middle East, and Russia's ongoing war against Ukraine - this can certainly be seen as a sign of resilience. However, it also has to do with the fact that, after years of recession, the economic cycle usually turns at some point because old machines need to be replaced, cars can no longer be repaired, and the necessary modernization of factory buildings can't be postponed any further. A relatively high degree of optimism can be observed among manufacturers. In June, this indicator rose to its highest level since February 2022. This improved sentiment is partly due to Germany, where expectations of producing more in one year than today have risen to a 40-month high. The mood has also improved in Spain, while confidence has declined somewhat in France and Italy. This is in line with the general environment, as there is growth in Spain, while the manufacturing sector is shrinking in France and Italy."

Automotive. Both April and May saw U.S. auto sales artificially boosted by tariffs or the threat of tariffs on the 47 percent of the cars and light trucks manufactured outside of the United States. Although some manufacturers still report monthly sales, all manufacturers report quarterly sales in June. For the second

quarter of 2025, the industry posted a quarterly gain of 2.7 percent. The results varied significantly among the major brands, and year over year sales at Ford rose 14.4 percent, Honda, 8.7 percent, Hyundai-Kia, 7.9 percent, GM, 7.3 percent, and Toyota, 7.2 percent. The Volkswagen Group led those with sales declines by posting a 25.5 percent loss, followed by Stellantis (Chrysler) dropping 10.2 percent, and Nissan losing 6.5 percent. The June SAAR (Seasonally Adjusted Annualized Rate) was estimated to be 15.2 million units by GlobalData, down considerably from the April pace of 17.8 million units estimated by Motor Intelligence. David Oakley, manager of "Americas sales forecast" at GlobalData, further commented:

"The second half of the year is set to see a more significant slowdown in sales as automakers gradually adjust pricing to reflect the new realities of the trade environment. Still, the situation remains extremely fluid, and changes in the administration's policy could mitigate the worst effects of tariffs, in which case there is some upside risk to our forecast."

Consumer Confidence. You may recall that the December Conference Board's Consumer Confidence Index rose to 109.5. It has since declined. For the ongoing trade wars, good news is followed by bad news, causing the index to fluctuate in response to the current news feed. For the Conference Board's latest survey dated June 18, the index fell to 93.0 (1985=100) from 98.4 in May. According to Stephanie Guichard, a senior economist at the Conference Board, "The decline was broad-based across components, with consumers' assessments of the present situation and their expectations for the future both contributing to the deterioration. Their appraisal of current job availability weakened for the sixth consecutive month but remained in positive territory, in line with the still-solid labor market. Consumers were more pessimistic about business conditions and job availability over the next six months, and optimism about future income prospects eroded slightly." By sharp contrast, the University of Michigan Consumer Sentiment Index came in at 60.7, a surge of 16% from May and the first increase in six months. With this improvement, this index is still below December's post-election surge to 74.0. Consumers continue to be concerned about the potential impact of tariffs, but so far, there has been little significant change in consumer purchasing behavior. Consumers are also concerned about the wars in Ukraine, Gaza, and Iran, but they still apparently believe that the Atlantic Ocean separates us from any threat.

Business Confidence. For West Michigan, the beginning of the first trade war in recent memory sank April business confidence at an alarming rate. Any index of confidence is primarily driven by the news cycle, and confidence recovered in May when our survey respondents were better able to assess the actual impact on their own supply chains. For June, our SHORT-TERM BUSINESS OUTLOOK Index which asks West Michigan firms about their business perceptions for the next three to six months, remained stable but declined modestly to +24 from +28. The LONG-TERM BUSINESS OUTLOOK Index which queries the perceptions for the next three to five years remained virtually unchanged at +41, down from +42 in May. At the national level, optimism among the nation's small businesses has improved. According to a June 10 press release from the National Federation of Independent Businesses, the Small Business Optimism Index for May edged up three points to 98.8, slightly above the 51-year average of 98.0. The same survey reported that 25 percent of the respondents expected the economy to improve, up from 15 percent in the previous report. Fifty-six percent of owners reported making capital outlays in the last six months, down two points from April and the lowest reading of this year. For those firms making significant expenditures, 40% reported spending on new equipment, 26% acquired vehicles, and 15% improved or expanded facilities. For small business owners hiring or trying to hire in May, 86% reported few or no qualified applicants for the positions they were trying to fill. Nonetheless, 12 percent reported plans to INCREASE employment.

West Michigan Unemployment. As interest rates began to tighten in 2022, the Federal Reserve recognized that raising unemployment would be a consequence brought on by a slower economy. For West Michigan, the unemployment numbers posted by Lansing's Department of Technology, Management, and Budget (DTMB) continued to rise. The May data (latest month available) posted by DTMB, estimates the unemployment rate for Ottawa

County to be 4.8 percent, up significantly from 3.7 percent a year earlier. In a similar move, the Kent County unemployment year-over-year rate rose to 5.0 percent, up from 3.8 percent. In Kalamazoo County, the year-over-year unemployment rate rose to 5.3 percent from 4.0 percent. For our West Michigan municipalities (cities), the May unemployment for the City of Grand Rapids jumped to 6.0 percent from 4.7 percent. Plainfield Township, which had an unemployment rate as low as 1.4 percent a few years ago, reported a year-over-year May unemployment rise to 4.8 percent from 3.7 percent in the prior month. For the industrial market, the EMPLOYMENT index turned modestly negative for most of last summer, but it has recently returned to being slightly positive some months and flat other months. In fact, the index for both May and June posted at +0. At the national industrial level, the June index of EMPLOYMENT reported by ISM remained negative and edged slightly lower to -7 from -4, marking eight straight months of MODEST contraction. At the international level, modest unemployment continues, and the JPM index of EMPLOYMENT edged up to 49.7 from 43.9, only slightly below the 50.0 break-even point.

Industrial Inflation. Significant inflation for the industrial market has been another one of those consequences of the tariff wars, although unlike the economy of many years ago, industrial inflation does NOT spill over into the consumer sector for many months if at all. Locally, our index of PRICES remains uncomfortably high at +32 despite being down from May's two-year high of +42. As a reminder, the December 2024 index posted dead flat at +0. At the national level, ISM's June index of PRICES posted at +40, up from +39 in May and the same as April's report of +40. Rising prices for aluminum, stainless steel, and electrical components were cited as major trouble spots. By contrast, S&P's Price Pressure Index reached a 16-month low, which basically indicates that the current round of industrial inflation may dissipate if these trade wars can be successfully resolved relatively soon. If not, then industrial inflation MAY start to spill over into the consumer sector. Usamah Bhatti, Economist at S&P Global Market Intelligence, further commented:

"Despite a further month of heightened geopolitical tensions, commodity markets remained broadly muted at the end of the first half of 2025. Price pressures eased for the second month in a row to reach the lowest since early-2024, as only six monitored commodities registered above-average reports of rising prices. This came as the latest PMI data signalled broadly subdued input price pressures outside the US. This may however evolve further given the expiration of the US administration's 90-day pause on higher tariffs, as well as the impact of higher tariffs on aluminium and steel. Moreover, supply shortages remained subdued in June. Reported shortfalls have now been below the long-run average in each of the last 22 months. Only three of the monitored commodities saw above-average reports of shortages, led by the Transport Index."

Consumer Inflation. Yes, consumer inflation may be gradually falling, but not at an optimal pace. The June 11 Inflation Index from the Bureau of Labor Statistics (BLS) reported that the "headline" CPI-U inflation rate edged back up to 2.4 percent from 2.3. For the third successive month, the CPI "core" sub-index, which excludes food and energy, remained unchanged at 2.8 percent. Another important but less-reported statistic is the CPI-W, which primarily encompasses only wage earners and clerical workers, registered an overall inflation rate of 2.2 percent and a core rate of 2.7. The seldom-publicized CPI-E Inflation, which measures inflation for citizens over 62 years old, remained unchanged at 2.5 percent. For the "Fed preferred" index compiled by the Bureau of Economic Research (BEA), the Personal Consumption Expenditures Index or PCE edged higher to 2.3 percent from 2.1 percent. The core PCE sub-index which excludes food and energy also ticked higher to 2.7 percent from 2.5 percent. Granted, tariffs are clearly raising the cost of SOME consumer items, however, the impact on both the CPI and the PCE is still minimal. It is again worth mentioning that sustained industrial inflation eventually raises the cost of almost everything, but so far industrial inflation is still having a minor impact on consumer inflation.

The cost of housing or "shelter" continues to be the main problem keeping consumer inflation from falling. Fortunately, the latest Shelter CPI reported by the BLS ticked down a notch to 3.9

from 4.0 percent. Other good news came from the "Apartment List" website which reported that the national median rent grew by just 0.2 percent in June compared to 0.4 percent in May, bucking what the author calls the "usual seasonal trend" for late spring. The latest Case-Shiller U.S. National Home Price NSA Index, released on June 24, shows that the "benchmark" national index increased in April by 2.7 percent, year-over-year, down from March's 3.4 percent. However, SOME growth in the value of housing is necessary to keep pace with inflation. For many Americans, their home is their biggest asset, and a fall in value shakes consumer confidence. A positive view of the present trend comes from Nicholas Godec of S&P Dow Jones Indices:

"The housing market continued its gradual deceleration in April, with annual price gains slowing to their most modest pace in nearly two years. We're witnessing a housing market in transition. The era of broad-based, rapid price appreciation appears over, replaced by a more selective environment where local fundamentals matter more than national trends. For investors and policymakers alike, this shift toward geographic divergence and moderate growth may actually represent a healthier, more sustainable trajectory than the unsustainable boom we experienced just a few years ago."

GDP. On June 26, the BEA reported that the estimate for growth for the first quarter of 2025 has been revised downward to -0.5 from -0.2. The change apparently was caused by a reduction in consumer spending and imports. A negative GDP is usually cause for concern. However, imports are a significant subtraction to GDP, and the tariff announcements resulted in an unprecedented surge in imports wherein firms tried to beat the tariff deadline for a wide variety of finished goods and raw materials. As always, forecasters are now focusing on GDP growth estimates for the second quarter of 2025. As of July 3rd, the Atlanta Fed's GDPNow model, which continues to chaotically bounce around, predicts a 2025 second quarter growth rate of 2.3 percent, down sharply for last month's estimate of 4.6 percent. As of June 15th, the New York Fed's "Nowcast" model for the second quarter of 2025 is pegged at 1.6 percent growth. Since last month, the moderately conservative Bue Chip second quarter forecast based on a monthly survey of 50 economists has been revised from a modest projection of 1.1 percent growth down to zero. According to another 36 economists surveyed by the Federal Reserve Bank of Philadelphia, the forecasters predict the economy will grow at an annual rate of 1.5 percent for the current quarter.

Looking Forward. Almost any firm with a supply chain that originates anywhere out of the country is having trouble keeping up with the tariff wars on a daily basis. Fortunately, most of our respondents seem to be taking the turmoil in stride partially based on experience gained from the serious supply disruptions during the pandemic. However, almost all survey respondents appear to be holding up major decisions on new equipment, plant expansions, and new sourcing until the trade war with their respective segment in the supply chain is resolved. Furthermore, even though an agreement may be reached, other countries are not always good at keeping their word. They also concoct workarounds, such as first shipping to Canada or Mexico in hopes of crossing the border at a lower tariff rate. All this aside, it's where we are in the long term that counts.

Over the next month, positive news on the tariff wars would of course be bullish. However, serious escalation of the overseas wars could be bearish. Numerous promises for new capital investments and new jobs have been made by both domestic and foreign firms, but so far, not a single shovel has been put in the ground. Over the last 80 years, we are reminded that we have experienced a recession in this country an average of once every six years. If the average held, that would suggest the next recession could happen in 2026, only a few months away. Needless to say, we have been bombarded with predictions of recessions by reputable economic institutions for the past several years, and none has come to pass. However, recessions all have causes, generally coming from excesses in one significant economic segment or another building an unsustainable bubble that bursts, or by some unexpected event such as a war or a pandemic that otherwise shakes the rhythm of the economic system. Somewhere, there may be a bubble building that's waiting to burst, but at this time, such a bubble seems very elusive.

June 2025 Survey Statistics

	UP	SAME	DOWN	N/A	June Index	May Index	Apr. Index	25 Year Average
Sales (New Orders)	40%	41%	19%	0%	+21	+14	+ 2	+14
Production (Gross Output)	34%	51%	6%	9%	+28	+14	+10	+14
Employment	17%	66%	17%	0%	+ 0	+ 0	+ 2	+ 8
Purchases	28%	59%	13%	0%	+15	+ 2	- 5	+ 7
Prices Paid (major commodities)	36%	60%	4%	0%	+32	+42	+37	+15
Lead Times (from suppliers)	15%	70%	11%	4%	+ 4	+18	+ 6	+11
Purchased Materials Inv. (Raw materials & supplies)	30%	46%	9%	21%	+21	+ 4	- 5	- 4
Finished Goods Inventory	19%	51%	19%	11%	+ 0	+12	+ 9	- 2
Short Term Business Outlook (Next 3-6 months)	43%	38%	19%	0%	+24	+28	-16	-
Long Term Business Outlook (<u>Next 3-5 years</u>)	45%	49%	4%	2%	+41	+42	+20	-

Items in short supply:

Some aluminum, electronics from China, hemp, anything impacted by import tariffs, colorants (China supplied), rare earth minerals from China, complex machined parts, friendly bankers.

Prices on the UP side:

Carbide tooling, aluminum, steel, stainless steel, oil, ABS plastic, nonfat dry milk, condensed milk, catalysts and reagents with Asian feedstock, tropical wood species, glass, magnets, labor, anything based on tariffs.

Prices on the DOWN side:

Fuel, plastic resins, steel*, aluminum*.

*Item reported as both up AND down in price.

Latest Unemployment Reports:

May data from Michigan DTMB, except as noted.
Except as noted, data are NOT seasonally adjusted.

	May 2025	May 2024	Aug. 2009*	25-Year Low
State of Michigan (May)	5.4%	4.5%	14.6%	3.2%
State of Michigan (Unadj.)	5.3%	4.4%	14.1%	2.9%
Kent County	5.0%	3.8%	11.9%	2.1%
Kalamazoo County	5.3%	4.0%	11.1%	2.1%
Calhoun County	6.2%	4.8%	12.8%	2.7%
Ottawa County	4.8%	3.7%	13.3%	1.8%
Barry County	5.4%	4.3%	10.9%	2.2%
Kalamazoo City	6.5%	5.0%	15.2%	3.2%
Portage City	4.7%	3.6%	8.7%	1.3%
Grand Rapids City	6.0%	4.7%	16.1%	3.0%
Kentwood City	5.7%	4.4%	10.7%	1.4%
Plainfield Twp.	4.8%	3.7%	8.0%	1.4%
U.S. Official Rate (May)	4.2%	4.0%	9.6%	3.4%
U.S. Rate (Unadjusted)	4.0%	3.7%	9.6%	3.1%
U.S. U-6 Rate May)**	7.8%	7.4%	22.9%	6.7%

* August 2009 = low point of the Great Recession

**U-6 for Michigan = 8.5% for the previous four quarters

JUNE COMMENTS FROM SURVEY PARTICIPANTS

"Tariff management has become more routine. We'll know soon if the expiration of the 90-day pause will bring additional chaos or not. We're ending our fiscal year (June 30) with a strong sales trend."

"Sales continue to be strong, and we are eagerly awaiting to see how the market comes back after the summer automotive shutdowns."

"Business levels remain down compared to last year. We are doing a lot of quoting so perhaps things will pick up soon!"

"It's scary slow for the capital equipment market."

"There's no real change from last month. The future is hard to predict until this tariff uncertainty ends."

"Tariffs are driving up prices across the supply chain and driving down sales volume."

"Another month solidly above budget. Our backlog is shrinking but still above normal."

"June brought a significant increase in demand with nearly all customer markets picking up in activity."

"We are starting to realize the financial impacts of the tariffs on incoming parts from Europe, Indonesia and China, as well as our products shipped to Canada."

"The conflicts in the Middle East are putting systems over module and oil prices at risk. Rare earth magnets are fodder of the tariff disputes."

"We continue to struggle with electronics from China as well as steel and aluminum poles. All are impacting lighting."

"The 'indulgence' factor of ice cream seems to be shifting, with some consumers opting for healthier treats or desserts with specific nutritional benefits."

"Hemp has a few new manufacturing plants opening in the next year or two. They will be focused on building materials (hempcrete, hemp flooring, hemp insulation etc.), and hemp textiles (clothing, bags, hats, towels, bedding etc.). They will need more farms producing industrial hemp to keep up with the demand."

"The more I talk to other small businesses, the more I realize it is not just my industry. Everyone I talk to say sales are down."

"We continue to push back on tariff related price increases."

"Tariffs are increasingly being passed through as inventory is consumed."

"I'm not lying. I'm kind of scared about the near future."

"Pricing for commodity-based items impacted by restrictions on capacity and tariffs. Domestic providers have increased prices across the board because they can when competing against tariffed items as long as they are still less than the tariff price."

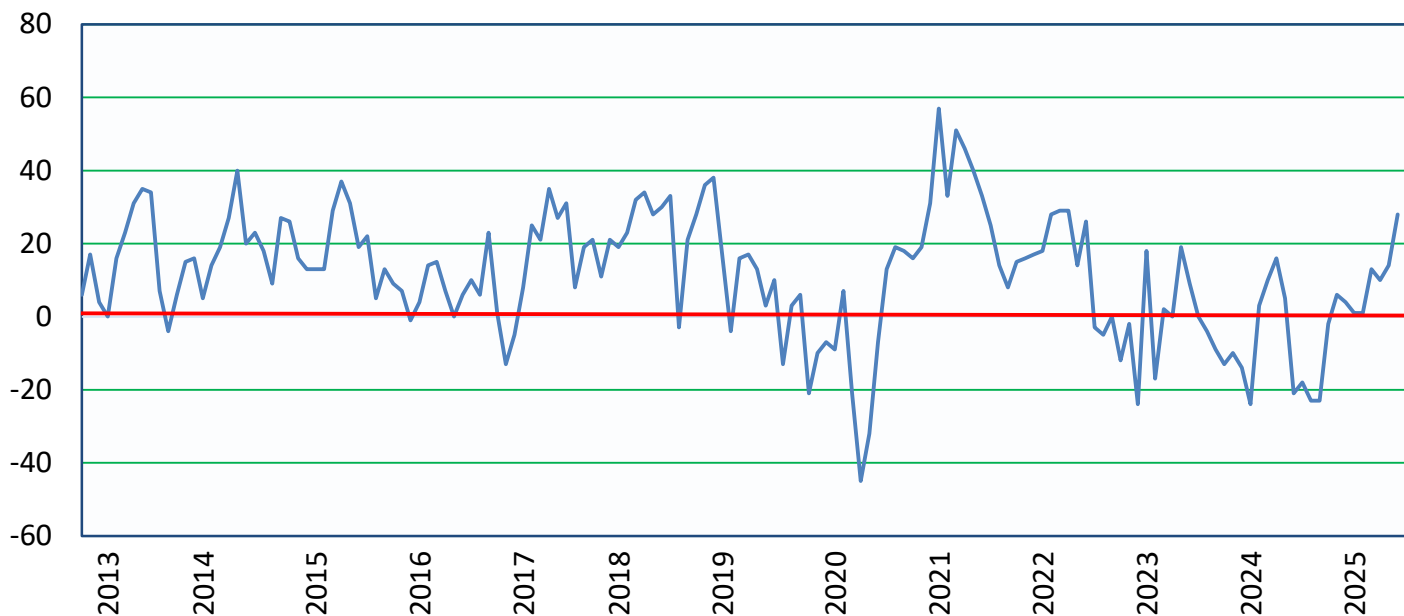
"We've had a slight improvement in sales, which is welcomed."

"Raw material pricings are dropping for steel and aluminum, but exchange rates are hurting us."

"Most of our purchases are made from outside the U.S. Taiwan exchange rates are hurting us, and we're worried about other exchange rate changes."

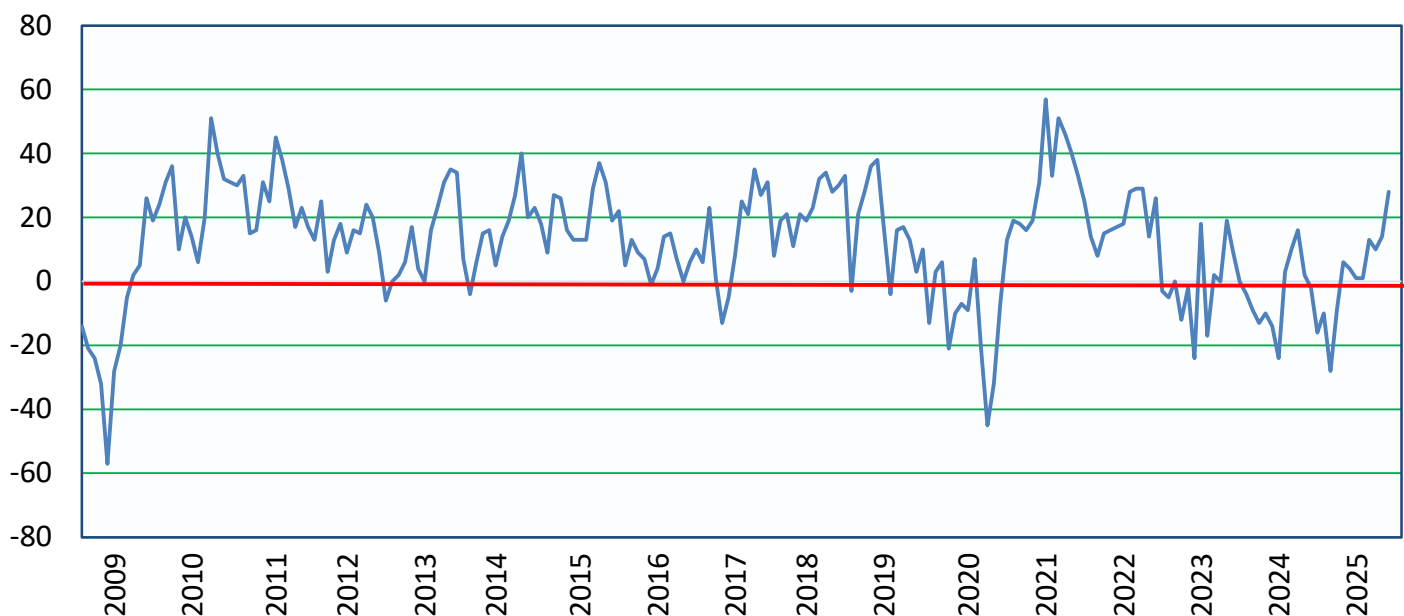
West Michigan Index of New Orders: 2013-2025

As the name implies, the NEW ORDERS index measures new business coming into the firm and signifies business improvement or business decline. When this index is positive for an extended period of time, it implies that the firm or organization will soon need to purchase more raw materials and services, hire more people, or possibly expand facilities. Since New Orders are often received weeks or even months before any money is actually paid, this index is our best view of the future.



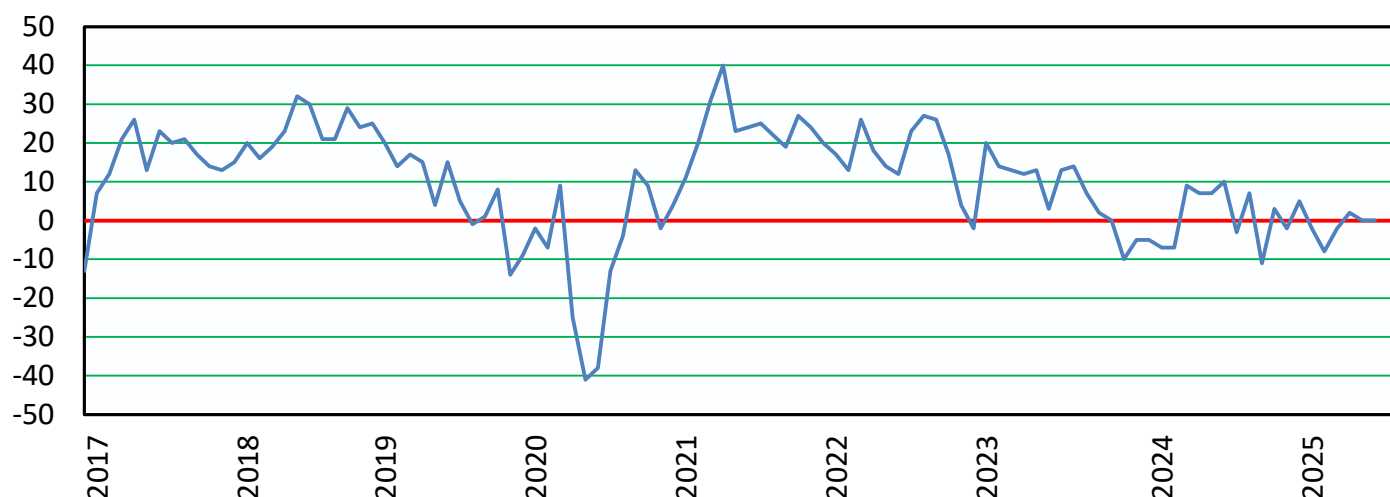
West Michigan Index of Production (Output): 2008-2025

As new orders come in and materials arrive at the loading dock, production schedules are posted to meet the customer's needs. Although production schedules respond to demand, they also respond to seasonal factors such as holidays as well as bad weather, materials shortages, or other external influences.



West Michigan Index of Employment: 2017-2025

The index of EMPLOYMENT measures the firm's increases and decreases in staffing, including permanent workers and temps. After economic downturns, it measures new hires as well as previous workers called back to work. When this index is positive for an extended period of time, it almost always signals a reduction in industrial unemployment for West Michigan. Normally, there is about a month or two in lag time between this report and the payroll numbers being reflected by the government statistics. However, almost all employment indexes are laggards, meaning that firms often wait until upticks in orders are confirmed before adding staff, and conversely laying off staff only after a downturn in orders appears to be certain for the foreseeable future.



West Michigan Future Business Outlook: 2013-2025

The indexes of LONG-TERM BUSINESS OUTLOOK and SHORT-TERM BUSINESS OUTLOOK provide a glimpse at current and future attitudes of the business community. Traditionally, most businesses are more optimistic about the long term, although current event can result in perceptions changing very rapidly. Both short and long-term attitudes reflect current business conditions, and are usually higher when sales, production, and employment are positive.

LONG TERM BUSINESS OUTLOOK (3-5 YEARS)
SHORT TERM BUSINESS OUTLOOK (3-6 MONTHS)

