West Michigan Current Business Trends

November 6, 2026

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Industrial Activity Remains Positive But Continues to Soften in October

Key Take-Aways from October 2026 Statistics:

- **NEW ORDERS Index and PRODUCTION Index remained positive although both continued to ease in October.**
- **After previously reaching a 55-month high, global and eurozone PMIs retreated in October.**
- **Both business and consumer confidence weakened in October.**

	Oct.	Sep.
NEW ORDERS Index (business improvement)	+ 9	+18
PRODUCTION Index (aka "OUTPUT")	+13	+18
EMPLOYMENT Index	+ 6	+ 6
LEAD TIMES Index	+47	+30

Key Participant Comments for October

"It continues to be an uphill battle managing inventory and price increases with slower sales."

"Rising diesel prices are causing everything else to go up."

"Pressure from the cost of labor has softened in the market. However, given the media coverage of inflation, I believe employees are expecting higher wage increases than we are able to provide based on the Social Security's 3.6% annual COLA, i.e., Cost-of-Living Adjustment."

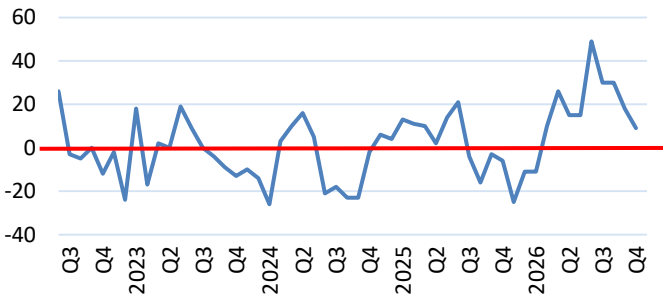
"Our general business sentiment is strong through November as many manufacturers want to close out a great year. December and beyond still TBD pending the impact of the mid-terms and any new tariffs."

"We are now seeing sizable price increases, especially on items that were under a one-year contract with fixed pricing for 2026. The 2027 price increases on manufacturing supply items are so far ranging from 7% to 19%."

"We seem to be entering our seasonally slower season early this year."

The Local Economy. For the ninth consecutive month, our survey of the West Michigan industrial economy painted a positive business environment but indicators show continued softening of economic activity. Based on the PMI Survey data, NEW ORDERS, our index of business improvement, stood at +9 in October, a further decline from +18 the previous month. Likewise, the October PRODUCTION Index, or "OUTPUT," continued to ease to +13 from +18 in September. Respondents highlighted weakening demand, due in part to anticipation of the election outcomes, while others worry about the early onset of the seasonal decline in demand this month. They also noted upward price pressures from suppliers, which can eventually be passed on as higher goods prices.

West Michigan Index of New Orders: 2021-2026



The U.S. Economy. The national industrial economy also remained in expansion territory for the 24th consecutive month in October, according to the national monthly survey compiled by the Institute for Supply Management (ISM). The ISM's PRODUCTION Index inched up to +16.1 in October from +13.5 posted in September. This was opposite of the trend seen in West Michigan. Meanwhile, ISM's NEW ORDERS eased to +7.3 from +7.9 in the previous month, reflecting the same trend in West Michigan. Looking at international trade, ISM's index of EXPORTS and IMPORTS both recovered to reach +2.3 and +5.8 in October, respectively, from +1.8 and +1.9 in September. ISM's index of INVENTORIES returned to positive territory, settling at +1.3 this month from -1.6 previously. Meanwhile, ISM's ORDER BACKLOG Index fell slightly from +12.8 in September to settle at +9.1 in October. ISM's Composite Index, a compilation of all of these individual indices, inched up to 55.5 in October from the prior month's 54.5.

Meanwhile, the competing survey of the U.S. industrial market produced by the British-based S&P Global indicates a continued expansion of US industrial activity though signs of softening are apparent, mirroring the trend observed in West Michigan. The S&P U.S. Manufacturing PMI remained above the 50.0 threshold, settling at 54.9 in October, a slight decline from September's 55.9. This can be attributed to expansion of OUTPUT and NEW ORDERS,

though both posted slower growth rates in October. JOBS also expanded in October but at its slowest rate since March, supported by increased market demand and more stable exports. Nonetheless, upward pressure on prices intensified this month due in part to continued supply chain disruptions. Chris Williamson, Chief Business Economist at S&P Global Market Intelligence, noted:

"US factories continued to report strong expansion in October, sustaining the sector's best growth spell since early 2022. The upturn is also generating jobs at a pace not seen for five-and-a-half years, during the surge in demand seen during the pandemic. However, growing pains are clearly evident, with factories struggling to meet strong demand, especially for AI-related goods and equipment, amid supply chain disruptions. Delivery delays, often linked to shipping and logistics issues, are more widespread than at any time since 2022. With demand often exceeding supply, producers have been increasingly able to pass higher costs on to customers, notably for energy-related inputs. October consequently saw another leg-up in terms of manufacturers' selling price inflation to the steepest since September 2022. Such steep growth in factory gate prices will inevitably feed through to consumers in the coming months, keeping inflation well above the Fed's target and adding to pressure on policymakers to raise interest rates further."

The World Economy. After reaching a 55-month high in September, J.P. Morgan's Global Manufacturing PMI retreated slightly to 52.6 in October. All five sub-components of the index (expansion of output, new orders, employment, stocks of purchases, and suppliers' delivery times) still remained at levels consistent with improving conditions. Of the twenty-nine countries for which data are available Thailand, India, Indonesia, and Austria had the highest manufacturing PMIs. Major economies with a PMI below 50 included Australia, Türkiye, Italy, and Canada. Inflation remains a concern with an acceleration of price increases occurring in both input costs and selling prices. Maia Crook, Global Economist at J.P. Morgan, commented:

"The J.P. Morgan manufacturing PMIs suggest global industry started the fourth quarter on a solid footing. The October global output index fell back 0.7-point after reaching a five-year high in September, but at 53.1 the index continues to suggest manufacturing growth near 3%. The inventory PMIs are starting to show a long-awaited boost from stock-building, and indices tracking new orders, employment and new export business stayed close to recent peaks. These constructive activity and demand readings contrast with ongoing headwinds from elevated input prices, as well as a still-downbeat outlook in the future output PMI."

The S&P Global Eurozone Manufacturing PMI also decreased slightly from its 52-month high in September to 52.7 in October. Austria, Ireland, the Netherlands, and Germany all had PMI readings above 54, while France and Italy came in below 50. Despite the overall positive numbers, the data indicated an increase in inflation pressure on costs and business confidence, while still positive, fell below its long-run average. Chris Williamson, Chief Business Economist at S&P Global Market Intelligence commented:

"Another solid PMI reading extends the eurozone's best growth spell for manufacturing for over four years. The sustained growth recorded since February paints an encouraging picture of resilience for the manufacturing sector, which has been buffeted by the headwinds of tariffs and conflicts in the Middle East and Ukraine, and in particular the surge in costs and supply difficulties that these have caused. Instead, increased defence spending, precautionary inventory building, diversification and changing trade patterns due to US tariffs have created growth opportunities for many producers. However, growth is by no means broad-based, with manufacturers in France and Italy in particular continuing to struggle, the former suffering the additional stress of domestic political uncertainty. Furthermore, with input cost inflation surging sharply higher again in October, climbing to one of the highest rates seen over the past four years thanks to higher energy prices and supply bottlenecks, the latest PMI data add to pressure on the ECB to hike rates further in the coming months, providing another headwind to businesses."

Automotive. According to the Bureau of Economic Analysis (BEA), total vehicle sales fell in September ((latest available data) relative to August by a seasonally-adjusted annualized rate (SAAR) of -3.5%. Excluding heavy trucks, light vehicle sales also fell by -3.5% SAAR. Relative to September of last year, these year-over-year rates were -3.4% for total vehicle sales and -3.6% for light vehicle sales. Domestic auto sales – excludes light/heavy trucks but includes all vehicles assembled in the U.S., Canada, and Mexico – fell by 8.9% SAAR between August and September, the third consecutive monthly decline. Relative to September of last year, domestic auto sales were down by -2.9%.

Consumer Confidence. Consumer confidence hovered around historical lows in October. According to the University of Michigan's Consumer Sentiment Index, Confidence slightly declined by -0.2% between October (48.0) and September (48.1), marking the third consecutive month of declining consumer sentiment. The constituent components of the index, namely the Current Conditions Index and the Expected Condition Index, suggested a mixture of signals on the part of United States consumers. According to the Current Conditions Index, consumer perceptions of the current state of the economy moved nearer a historical low, declining by -8.3% between September and October. In contrast, the Expected Conditions Index, measuring consumer perceptions about the future state of the economy, rose by 5.4% between September and October. This suggests that consumer outlook is more optimistic about the future than they are about the current state of the economy.

Closely related to consumer confidence are their inflation expectations. According to the aforementioned survey, consumer "one year ahead" inflation expectations rose to 4.7%, up 0.1 percentage points from September. This is the second month of raising inflation expectations. Over a longer horizon, "five year ahead" inflation expectations rose slightly to 3.5%, a 0.1 percentage point increase, after remaining flat since June. Although steady, these longer-term inflation expectations remain notably above the U.S. Federal Reserve's goal of around 2%.

An alternative measure of consumer confidence, elicited from a survey conducted by the Conference Board, suggested more optimistic consumers than that of the University of Michigan survey. Their Present Situation Index – based on consumers' assessment of current business and labor market conditions – rose by 8.6 points from September to October. Their Expectations Index – based on consumers' short-term outlook for income, business, and labor market conditions – rose by 6.9 points, partially reversing three consecutive months of decline. Senior Economist at the Conference Board, Fergus McCormick, noted that:

"Consumer confidence advanced in October, driven primarily by improved perceptions of current and expected business conditions. The recovery was in line with retail gasoline prices easing from September to October. Yet, despite the increase in October, consumer confidence remained on the long-term downward trend that's persisted over the past few years. Consumers planned less spending on services and durable goods over the next six months. This likely reflected higher price levels and persistent inflation, which eroded consumers' purchasing power."

Business Confidence. According to the monthly West Michigan survey, business confidence in our economy suggested a worsening short-term outlook with a slightly more optimistic longer-term outlook in October. The SHORT-TERM BUSINESS OUTLOOK Index – asking West Michigan firms about their business perceptions for the next 3 to 6 months – ticked down to +5 in October from a September reading of +12. Considering the next 3 to 5 years, the LONG-TERM BUSINESS OUTLOOK Index reversed its recent trend of declines and rose to +33 in October, up from its September (+24) reading, but only barely returning to its August (+34) reading, and notably down from its summer readings in July (+42) and June (+54).

On October 15, the Conference Board released their CEO Confidence Index, a quarterly survey of the CEOs of some of the nation's largest businesses. For Q4 2026, their index read at 46, a decrease of 6 points from the Q3 2026 reading of 52. An index value below 50 reflects that the 131 CEOs included in the survey shared more negative than positive responses. This most recent reading suggests CEOs are becoming more pessimistic about current

economic conditions. Chief Economist at the Conference Board, Dana Peterson, noted that:

"CEO confidence fell in Q4 2026 to its lowest level since Q2 2025. This reversed a mild rebound in Q3 2026, potentially in response to rising geopolitical tensions and elevated oil prices during the survey period. The reading reflects a shift from mild optimism to moderate cautiousness among leaders of large US firms. CEOs' assessments of current economic conditions were somewhat more negative, while 41% expected conditions to worsen over the next six months—up sharply from 19% in Q3. Regarding their own industries, CEOs were much less positive about current conditions and expect little to no improvement six months hence."

Industrial Inflation. Industrial inflation in West Michigan slowed in October according to the West Michigan Survey PRICES Index. In October, the PRICES Index fell to +47, down from the reading in September (+60), but remains around the level observed through the summer - August (+47), July (+55), and June (+51). The 25-year average is +19. From ISM, raw material prices increased for the 25th consecutive month. In October, the ISM PRICES Index was +50.3, lower than it was in September (+55.8), but higher than it was in August (+42.2) and July (+42.1).

On the global level, the S&P Global PMI Commodity Price and Supply Indicators highlighted higher prices to start out the fourth quarter of 2026. According to the report, price pressures have remained above their long-run averages for the ninth month in a row. Commenting on the latest results, Usamah Bhatti, Economist at S&P Global Market Intelligence, said:

"October data signaled that price pressures remained prevalent across commodity markets. Reports of price increases were above the long-run trend for the ninth consecutive month, partly driven by continued price rises for Semiconductors and Electrical Items amid the ongoing boom in AI-related demand. Elsewhere, Transport and Energy saw reports of price increases rise further above their long-run trends, as disruption in the Middle East continued to impact these markets. Supply pressures, on the other hand, continued to soften entering the final quarter of the year, but reported shortfalls were still one and-a-half times the long-run average in October. Oil and Transport saw the most pronounced shortages, although reported oil shortfalls remained below the peaks recorded in the early months of the Middle East conflict."

Consumer Inflation. The most recent reading of consumer inflation for the month of September, released by the Bureau of Labor Statistics (BLS) on October 14, 2026, was largely consistent with what most have come to expect throughout this year. The release reported a month-over-month increase of 0.65% from August to September. While this may not sound drastic, if this month-over-month rate continued unabated for a full 12-months, prices would have risen by 7.78% by the end of those 12 months. Relative to September of last year, consumer prices have risen by 3.72%. Accounting for *over half of the headline inflation rate,* the index for gasoline rose by 9.1% from August to September and is up 34.2% relative to September 2025.

The sub-index for consumer energy prices rose by 5.2% from August to September, the most current data available. This was the second consecutive month of such increases. This continues the trend reversion experienced in the last two months, after consumers experienced some minor relief at the end of the summer. Relative to September of last year, energy prices are up 20.35%. Excluding both fuel and energy prices due to their historical volatility, the Core CPI rose by 0.33% between August and September, and relative to September of last year, it rose by 2.57%.

The Fed's preferred measure of inflation, Personal Consumption Expenditures (PCE) from the BEA, generally echoed most of the readings of the CPI numbers. Although methodological differences exist between the two, from August to September PCE inflation was up 0.49%, while relative to the same time last year, PCE inflation was up 3.65%. Month-over-month, Core PCE inflation read 0.32% while the year-over-year reading was 3.12%.

West Michigan Unemployment. According to the Michigan Department of Technology, Management, and Budget (DTMB), the September unemployment rate (latest month available) remained steady at 5.0% for the state, which it has hovered around since June 2025. This is above the national unemployment rate of 4.2%. According to DTMB's most recent report, many West Michigan counties reported lower unemployment rates in September. Relative to September of last year, the Kent County unemployment rate fell from 3.9% to 3.7%. For Barry County, the unemployment rate fell from 4.2% to 4%, Calhoun County declined from 5% to 4.6%, Kalamazoo County declined from 4.2% to 4%, and the September Ottawa County unemployment rate remained steady at 3.6%

GDP. On October 29, the BEA released their advanced/first estimate of Real GDP growth for Q3 2026, coming in at 3.4%. This reading was higher than the finalized readings for Q1 (2.5%) and Q2 (2.2%). While certainly noteworthy, the coming months will mean that this new headline number will be revised as the BEA receives additional data for this measurement. In contrast to the historical trends in the United States, the primary driver of Q3 growth was investment, followed closely by consumer spending.

On November 2, the Atlanta Fed's GDPNow forecast for growth in Q4 2026 remained at 3.7%. Over the next week or so, this forecast is likely to change and fluctuate as we receive various statistical releases for the economy in October. The New York Fed constructs their own forecast for growth in Q4 2026 and it sits at 2.9%. Updates to the consensus forecasts of professional forecasters, interviewed by the Philadelphia Fed, remains at 2.5% since the survey is only conducted once a quarter.

Labor Force Growth. Positive growth in the labor force obviously impacts employment, the demand for housing, and the general economic health of the region. As noted in the attached table, the labor force in Michigan has only grown by 4% since 1990. Three West Michigan metropolitan areas have posted higher labor force growth than the state average, namely the Muskegon MSA up 5%, the Kalamazoo-Portage MSA rising 6%, and Grand Rapids MSA adding a significant +23% more workers. Losers since 1990 include the Battle Creek MSA down 9% and the Niles-Lakeshore MSA labor force falling 16%. However, the 1990 to 2026 labor force growth for the entire U.S. rose by 35%, resulting in Michigan falling far behind most other states.

Looking Forward. The outlook for West Michigan industrial activity remains cautiously positive as momentum continues to moderate as we approach the end of 2026. Our NEW ORDERS and PRODUCTION indices remained in positive territory in October, but both indices eased again while the SHORT-TERM BUSINESS OUTLOOK fell, suggesting that growth is continuing but at a slower pace.

At the national and global levels, manufacturing continues to expand, but elevated energy and transportation costs have pushed consumer and producer prices higher while consumer inflation expectations continue to rise. Against this backdrop, the Federal Reserve held the federal funds target range at 3.75% to 4.00% at its October 28 meeting, in a 10-2 vote in which both dissenters preferred another 25-basis-point increase. The Federal Open Market Committee upgraded its description of economic activity to "strong" but reiterated that inflation remains elevated, suggesting that monetary policy will likely remain restrictive for longer than many firms anticipated earlier in the year.

As we approach year-end and look toward 2027, we expect West Michigan manufacturing to remain in expansion territory, supported by demand tied to data centers and commercial construction and by an improved long-term business outlook. However, slowing order growth in other sectors, weakness in the housing market, persistent energy and input cost inflation, trade-policy uncertainty, and the possibility of higher borrowing costs are likely to lead to a cautious approach to capital spending and hiring. Barring a significant deterioration in global and domestic economic conditions, the region appears positioned for continued growth, albeit at a more measured pace than earlier in 2026.

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Note: This report is published monthly with the assistance of Roberta (Bobbie) Biby, Affiliate Faculty of Economics, and Karen Ruedinger, Assistant Dean, both of the Seidman College at Business, Grand Valley State University.

October 2026 Survey Statistics

	UP	SAME	DOWN	N/A	Oct. Index	Sep. Index	Aug. Index	25 Year Average
Sales (New Orders)	31%	47%	22%	0%	+9	+18	+30	+11
Production (Gross Output)	29%	47%	16%	9%	+13	+18	+21	+11
Employment	22%	62%	16%	0%	+6	+6	+11	+8
Purchases	36%	49%	16%	0%	+20	+18	+23	+6
Prices Paid (major commodities)	51%	42%	4%	2%	+47	+60	+47	+20
Lead Times (from suppliers)	49%	49%	2%	0%	+47	+30	+36	+15
Purchased Materials Inv. (Raw materials & suppliers)	27%	49%	13%	11%	+14	+12	+26	+3
Finished Goods Inventory	9%	47%	29%	16%	-20	+4	+2	-4
Short Term Outlook (Next 3-6 months)	29%	47%	24%	0%	+5	+12	+19	-
Long Term Outlook (Next 3-5 years)	40%	49%	7%	4%	+33	+24	+34	-

Items in short supply:

Steel, aluminum, fabrics, electronics, RAM, various discrete components, LED displays, SOMs, silicone fluids, argon, PVC free wire (related to data warehouse construction), hemp, certain building materials, qualified ME and EE/CEs

Prices on the UP side:

Freight (domestic and ocean), diesel, gasoline, polycarbonate, PA6, glass fibers, all resins, steel and steel components, stainless steel, scrap steel, copper, building materials, packaging, paper, pigments, electronic components.

Prices on the DOWN side:

ABS plastics, aluminum*, sugar alcohols (aka polyols), polypropylene.

*Item reported as both up AND down in price.

West Michigan SMSA September Total Labor Force

(000 Omitted)

	2026	2020	2010	2000	1990
Muskegon Area	78	81	77	85	74
Kalamazoo-Portage	128	134	127	133	121
Grand Rapids	570	595	540	544	462
Battle Creek	59	61	64	70	65
Michigan Total	4,792	4,877	4,763	5,213	4,609

Latest Unemployment Reports:

The data are NOT seasonally adjusted, except as noted.

	Sept. 2026	Sept. 2025	Aug. 2009*	25-Year Low
State of Michigan (Sept.)	5.0%	5.0%	14.6%	3.2%
Kent County	3.7%	3.9%	11.9%	2.1%
Kalamazoo County	4.0%	4.2%	11.1%	2.1%
Calhoun County	4.6%	5.0%	12.8%	2.7%
Ottawa County	3.6%	3.6%	13.3%	1.8%
Barry County	4.0%	4.2%	10.9%	2.2%
Muskegon County	4.6%	5.3%	15.9%	3.4%
St. Joseph County	4.0%	4.0%	15.9%	3.4%
Van Buren County	4.1%	4.4%	12.7%	3.0%
Otsego County	4.0%	4.6%	14.1%	3.6%
Muskegon SMSA**	4.6%	5.3%	16.0%	3.9%
Kalamazoo-Portage**	4.0%	4.2%	15.2%	3.2%
Grand Rapids-Wyoming**	3.7%	3.9%	16.1%	3.0%
Battle Creek**	4.6%	5.0%	10.7%	1.4%
U.S. Official Rate (Sept.)	4.2%	4.4%	9.6%	3.5%
U.S. U-6 Rate (Sept.)***	7.6%	8.1%	22.9%	6.7%

** August 2009 = Approximate Great Recession Peak*

*** Denotes SMSA (Standard Metropolitan Statistical Area)*

****U-6 for Michigan = 9.5% for the previous four quarters*

OCTOBER COMMENTS FROM SURVEY PARTICIPANTS

"Steel lead times continue to extend. We are now seeing 20 weeks for some of our key raw materials. The availability of steel in general is concerning.

"Many of our steel contracts are delivering late from promised delivery dates resulting in short supplies in some grades and gauges. Additionally, we have learned for many mills that no long-term contracts will be available for next year, and they will be moving everything to spot buy pricing for 2027."

"Regulations have made it difficult to grow hemp, and proposed November laws could make hemp seed illegal again. The hemp plant has never hurt anyone. Nobody has ever died from hemp. Hemp in not psycho-active. It does not get you high. Hemp is the most diverse plant in the world. Hemp oil can run all of our vehicles cheaper and cleaner than today's fuel. It can be used to build fire resistant houses. It is an amazing medicine with little to no side-effects, yet big pharma, big oil and big alcohol companies want to make it illegal. So, it is now in short supply."

"We are hearing a lot about a NA (North America) steel shortage and double digit increases possible going into 2027. We're not sure if it's true or not, but it looks like the NA steel firms are trying to cause a panic to raise prices."

"Steel costs continue to rise, and our product prices are following suit. We are also seeing some increases in MRO items because of higher freight charges."

"We are seeing sizable price increases, especially on items that were under a one-year contract with fixed pricing for 2026. The 2027 price increases on manufacturing supply items are so far ranging from 7% to 19%."

"Diesel is up causing everything else to go up. The war is helping nobody, and the tariffs are helping nobody."

"Pressure from the cost of labor has softened in the market. However, given the media coverage of inflation, I believe employees are expecting higher wage increases than we are able to provide based on the Social Security's 3.6% annual COLA, i.e., Cost-of-Living Adjustment.

"Although aluminum prices are slightly down, we'll see what happens after the election."

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"Steel costs continue to rise, and our product prices are following suit. We are also seeing some increases in MRO items because of higher freight charges."

"We continue to feel the squeeze. Suppliers want to raise prices while customers want cost reductions in a market that struggles to generate growth."

"Strong data center orders are hiding some weakness in overall orders. Our standard item sales are slowing."

"We are mainly an automotive component supplier, and our new orders remain strong in the near-term, at least through Thanksgiving."

"It will be nice to get into 2027 with an understanding of the total amount of price increases so we can reevaluate the work we walked away from or send to facilities outside the US."

"We are seeing a bit of a lull before the election, and we are curious to see what is going to happen to the markets after the midterms."

"We continue to see longer lead times and more price increase requests."

"Our general business sentiment is strong through November as many manufacturers want to close out a great year. December and beyond still TBD pending the impact of the mid-terms and any new tariffs."

"For us, the expected seasonal downshift in demand arrived rather suddenly in mid-October."

"We seem to be entering our seasonally slower season early this year."

"The automotive industry is a challenge."

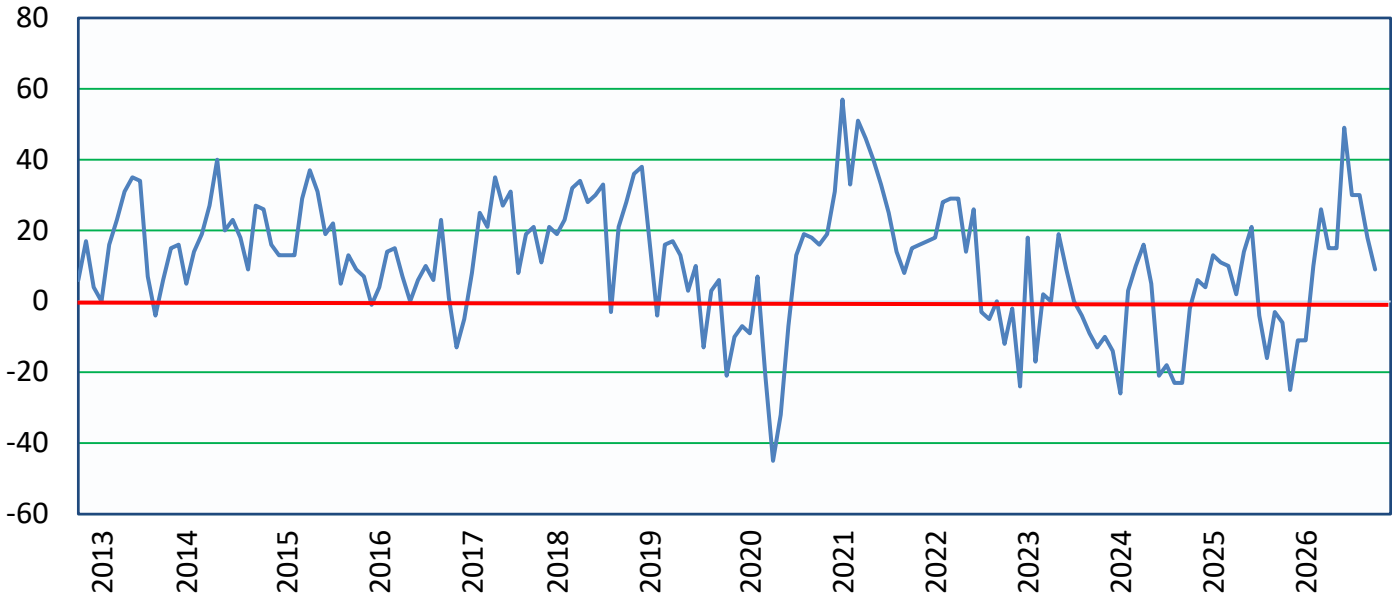
"The North American automotive market faces increasing pressure as OEMs and Tier-1 suppliers continue sourcing more products from Chinese suppliers due to their significantly lower costs. As Chinese companies expand their presence in Mexico and North America, traditional suppliers struggle to compete on price alone. This trend is leading to lost business opportunities, increased pricing pressure, and lower plant utilization, making it critical to differentiate through engineering expertise, local support, automation, quality, and supply chain resilience."

"AI is not our friend."

"It continues to be an uphill battle managing inventory and price increases with slower sales."

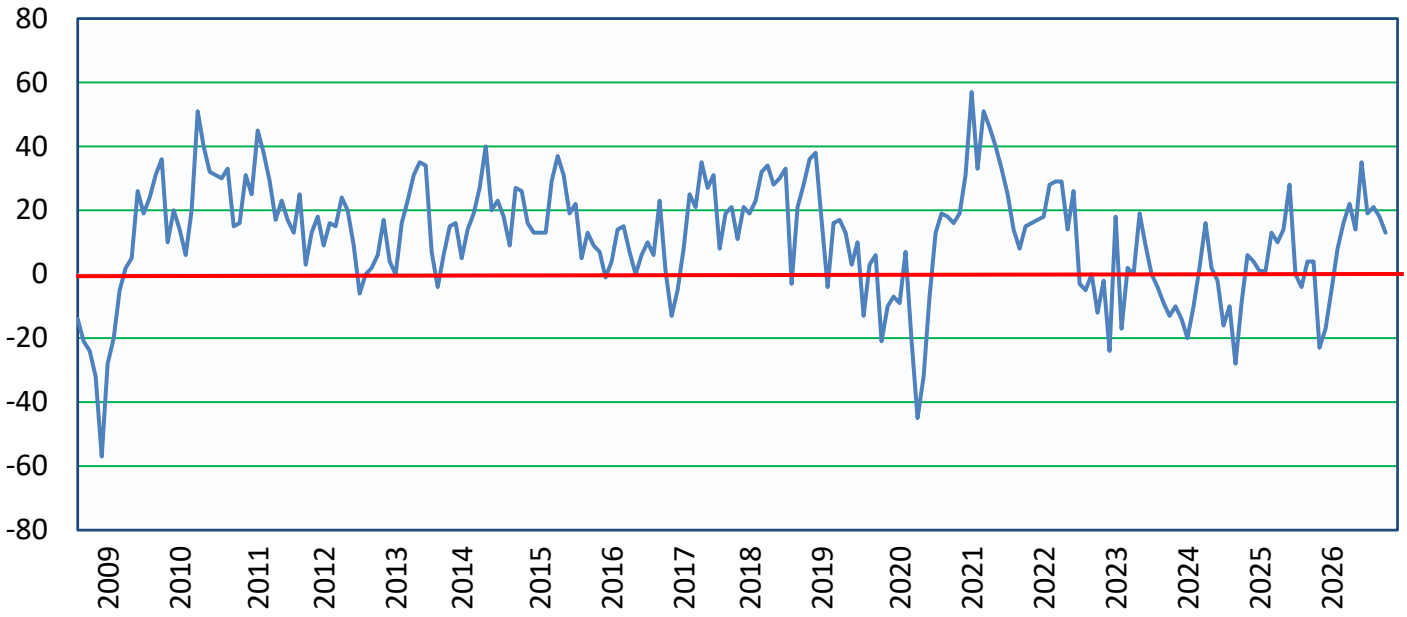
West Michigan Index of New Orders: 2013-2026

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.



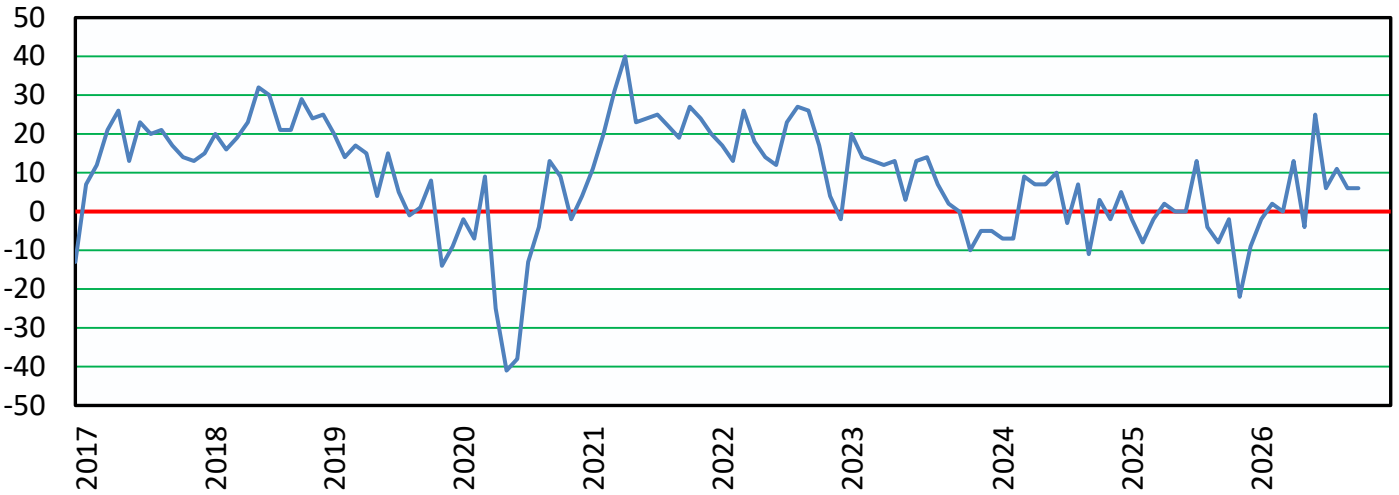
West Michigan Index of Production (Output): 2008-2026

As new orders come in and materials arrive at the loading dock, production schedules are posted to meet 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: 2017-2026

The index of EMPLOYMENT measures firms 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 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: 2013-2026

The indexes of LONG-TERM BUSINESS OUTLOOK and SHORT-TERM BUSINESS OUTLOOK provide a glimpse of current and future attitudes of the business community. Traditionally, most businesses are more optimistic about the long term, although current events 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.

