



FOR IMMEDIATE RELEASE

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BLM 2Q 2018 Economic Forecast: Federal Tax Reform Will Continue to Advance U.S. Economy

Upcoming State Elections Cause Some Uncertainty for Michigan

DETROIT, Mich. – Michigan’s business leaders continue to forecast stronger growth for both the U.S. and state economies specifically citing the continuing effects of federal tax reform, according to the latest quarterly survey of Business Leaders for Michigan (BLM) members.

A growing number of survey respondents expect their companies’ capital investment in Michigan to increase (49 percent) or remain the same (43 percent) during the next six months. Fifty-one percent of respondents expect employment in Michigan to increase, while nearly half (46 percent) expect it to stay about the same.

“Most of our members continue to believe the overall economy is in very good shape and think it will continue to improve once the full impact of federal tax reform occurs,” said Doug Rothwell, BLM President & CEO. “Nearly half our members plan to add jobs and increase investment in Michigan over the next six months. It’s been a long time since we’ve seen that level of growth. The only cautionary note is the upcoming state elections. Not knowing who the next Governor and legislature will be creates some uncertainty for business leaders.”

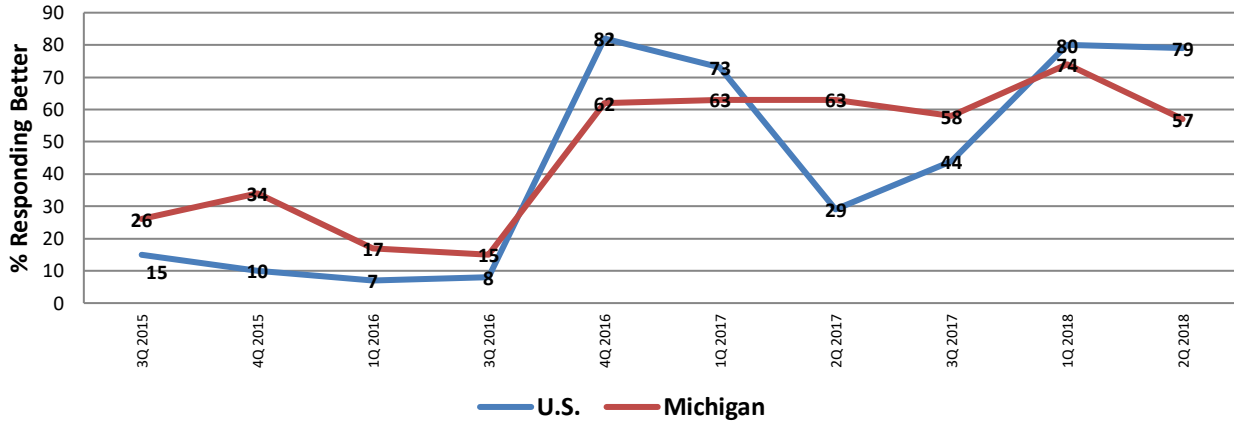
Highlights of the survey of Business Leaders for Michigan include:

- **Next six months:** The percent of business leaders (79 percent) having a positive view of U.S. economic growth over the next six months is still nearly double the end of 2017. However, 57 percent of respondents believe Michigan’s economic growth will improve during the same time period, down from 74 percent during the first quarter. BLM members attribute this to uncertainty about the outcome of the state’s election in November.

Again this quarter, 100 percent of all respondents indicated the same or better/higher economic outcomes—absolutely zero percent envision weakness at either the state or U.S. levels during the next six months.

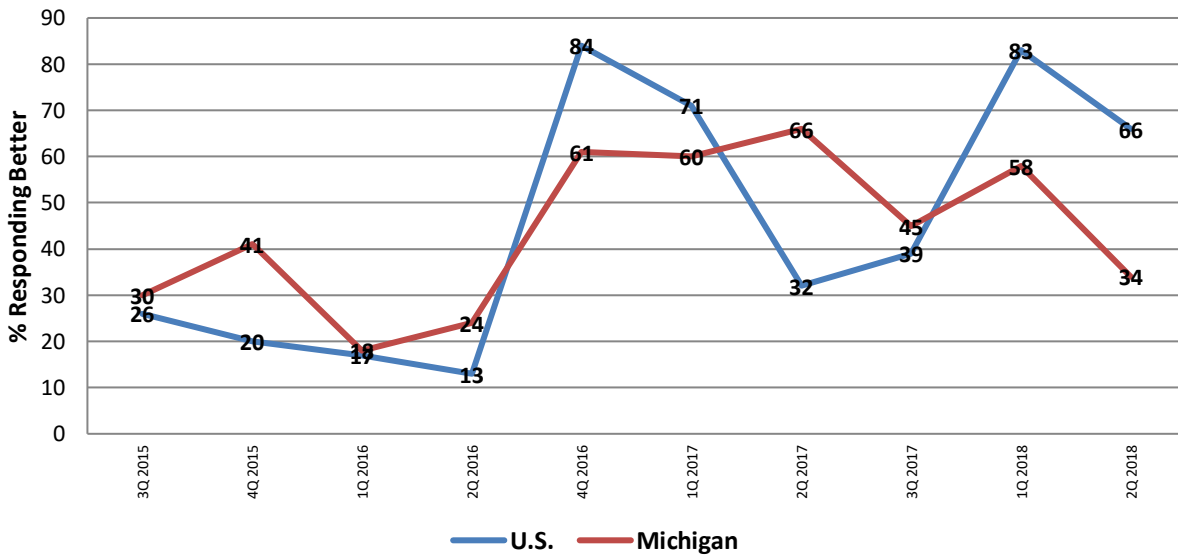
(more)

ECONOMIC OUTLOOK: Next Six Months
 (% Responding "Better")



- Next 18 months:** Optimism about the Michigan economy over the long term continues to lag expectations for the U.S. All of the survey respondents believe the U.S. economy will hold or improve over the next 18 months. With respect to Michigan, just over a third of business leaders (34 percent) expect improvement, with 60 percent anticipating things will stay about the same, and 6 percent expecting a decline.

ECONOMIC OUTLOOK: Next 18 Months
 (% Responding "Better")



Quarterly Economic Outlook Reports are available at:
<https://businessleadersformichigan.com/category/data/surveys/>.

About Business Leaders for Michigan:

Business Leaders for Michigan, the state's business roundtable, is dedicated to making Michigan a "Top Ten" state for jobs, personal income and a healthy economy. The organization is composed exclusively of the chairpersons, chief executive officers, or most senior executives of Michigan's largest companies and universities. Our members drive nearly one-third of the state's economy, provide 390,000 direct jobs in Michigan, generate over \$1 trillion in annual revenue and serve nearly half of all Michigan public university students. Find out more at: www.businessleadersformichigan.com.