

# City of Detroit-University Economic Analysis Partnership



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# Current State of Detroit's Economy



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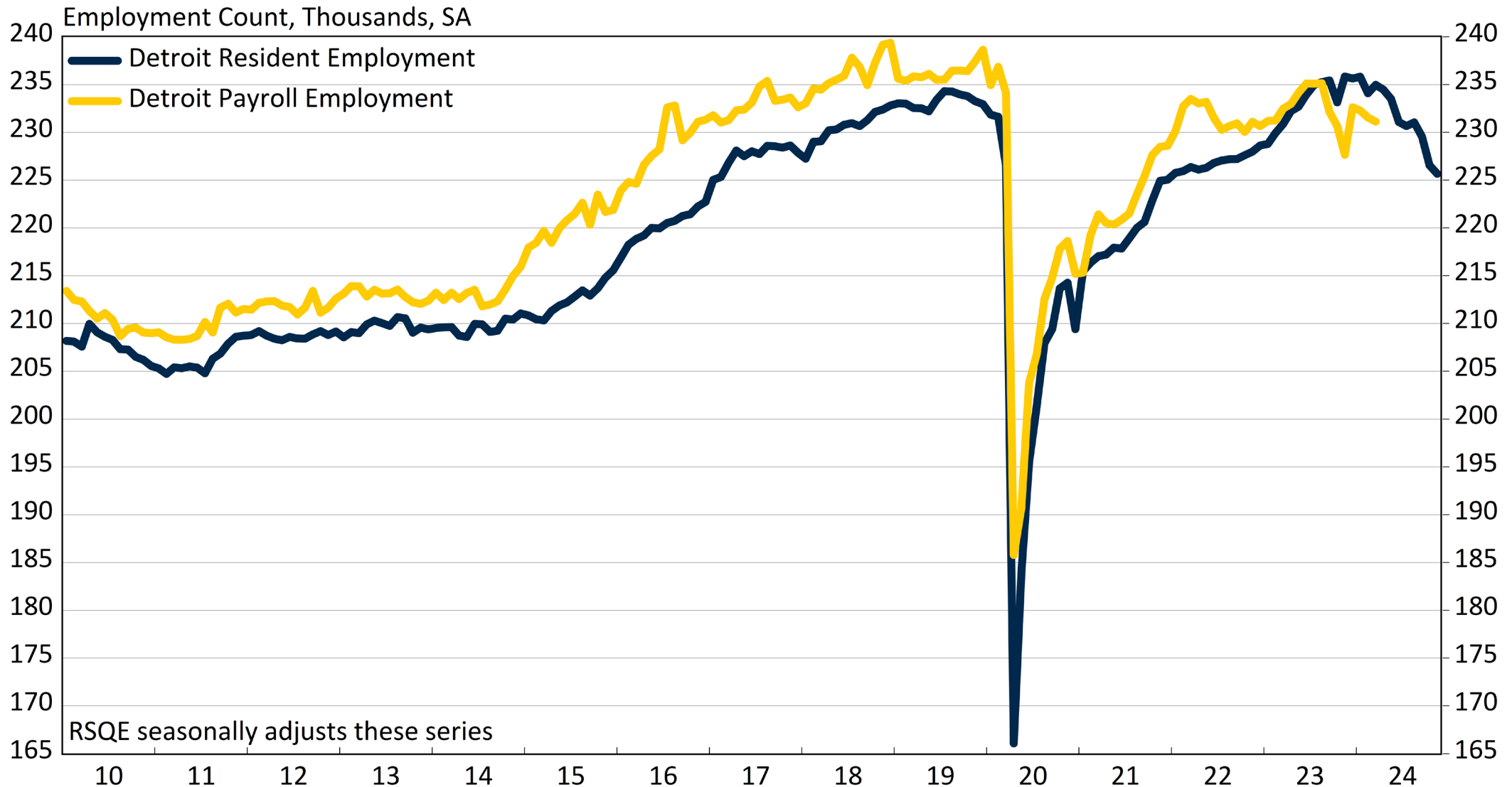
WAYNE STATE  
UNIVERSITY

Department of Economics

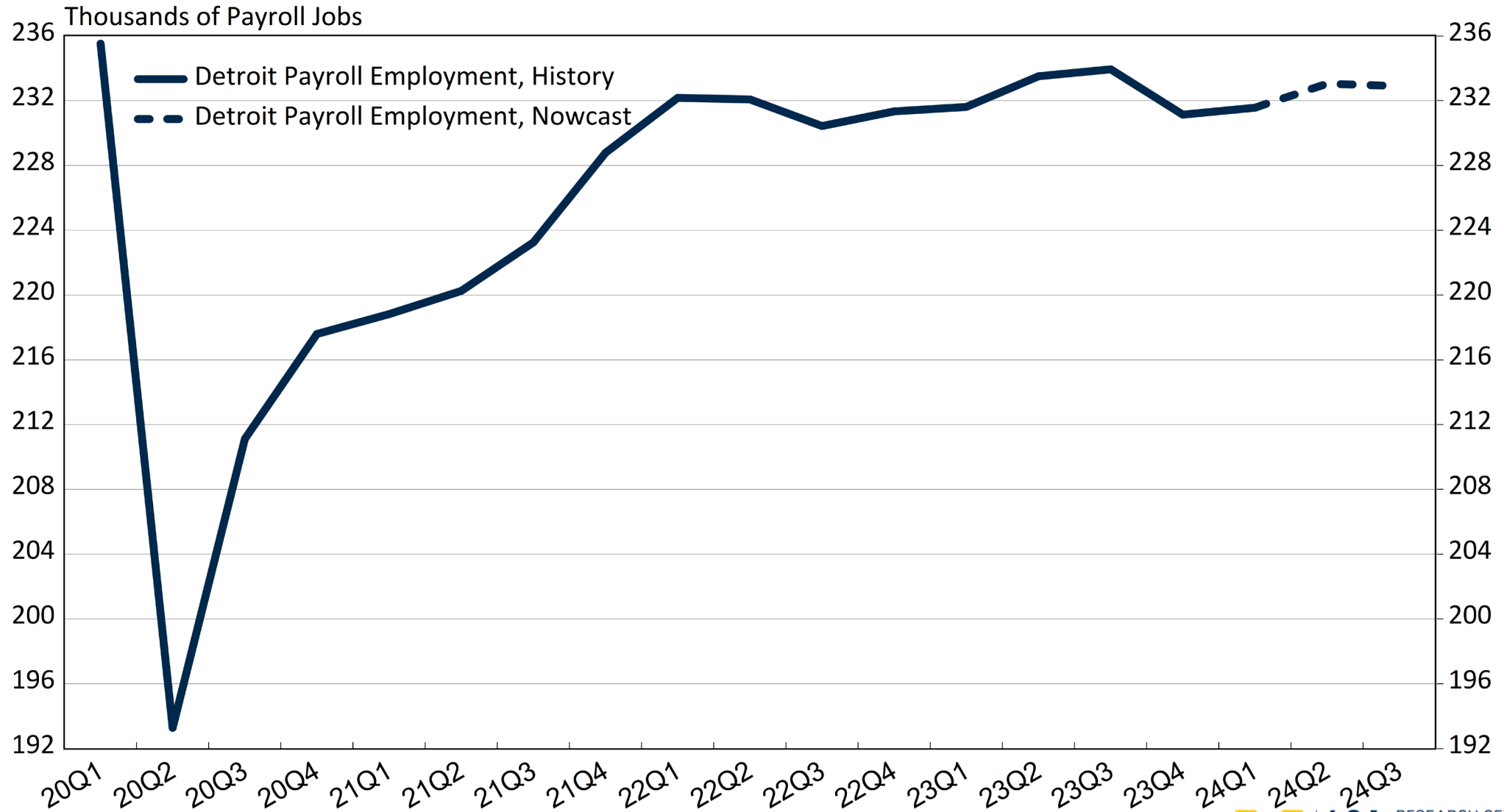


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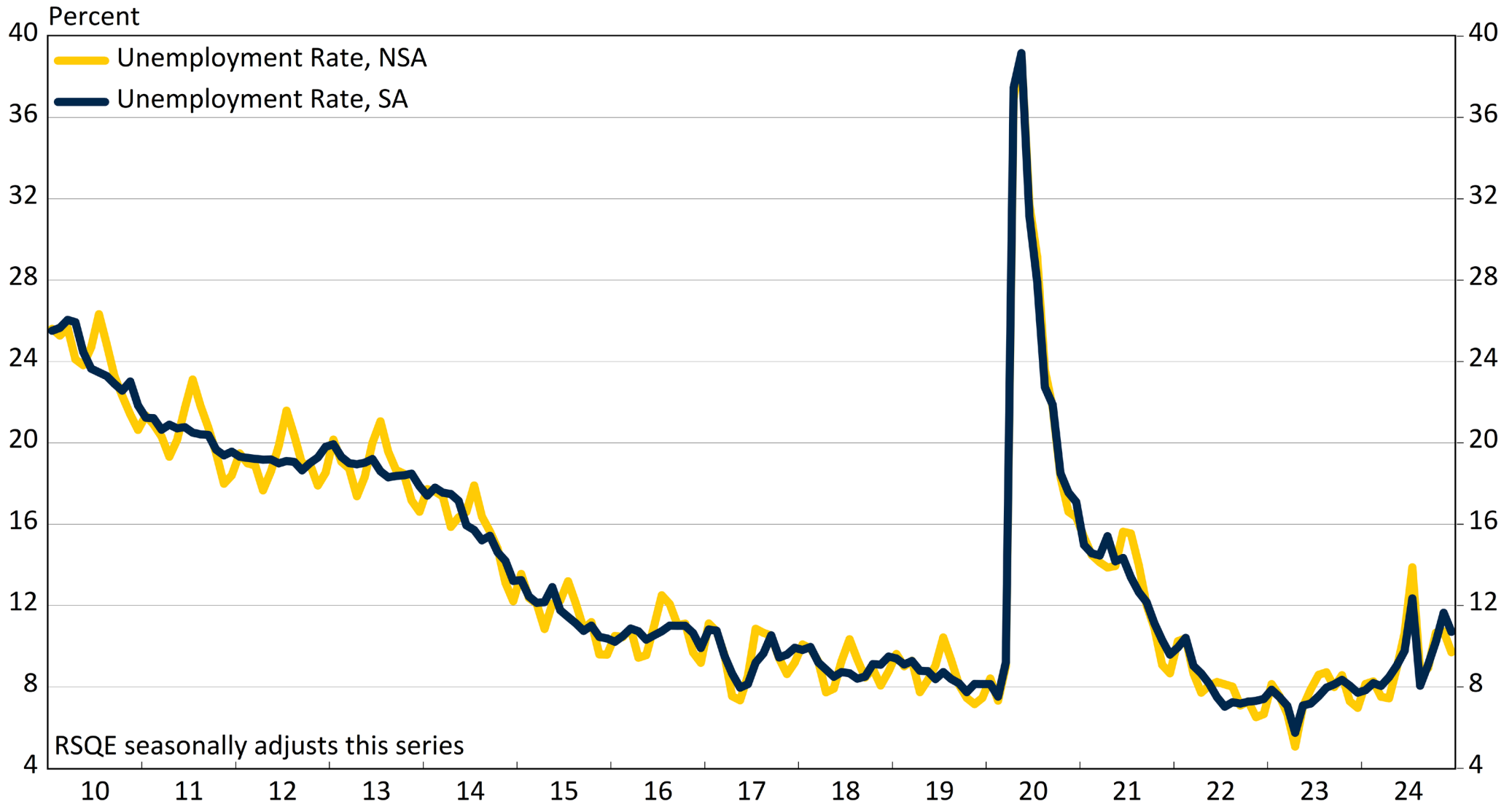
# Seasonally Adjusted Monthly Employment Count, City of Detroit



# Nowcast of Detroit Payroll Jobs



# Monthly Unemployment Rate, City of Detroit



# The Economic Outlook for Detroit



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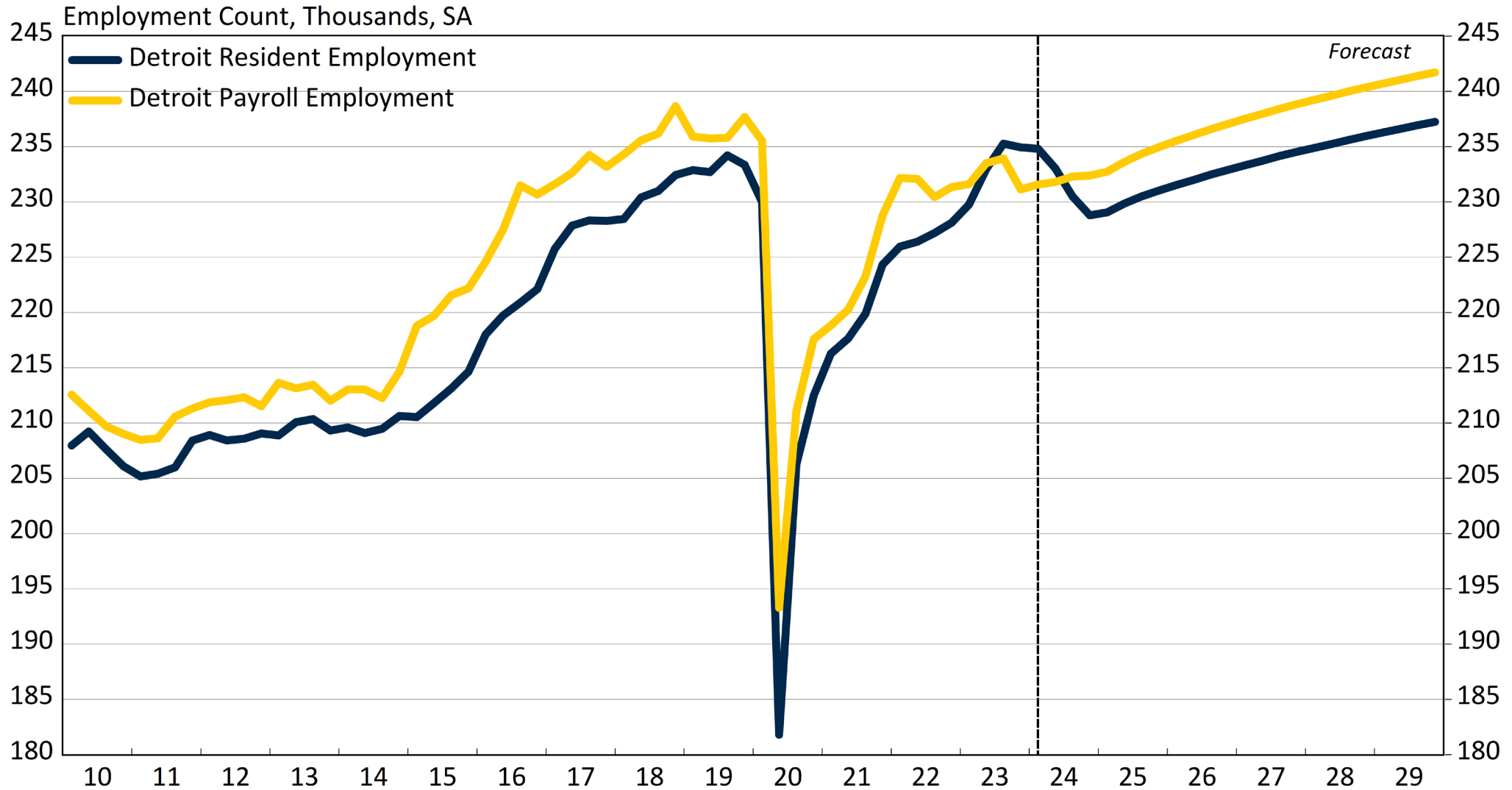
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# Key Policy Assumptions

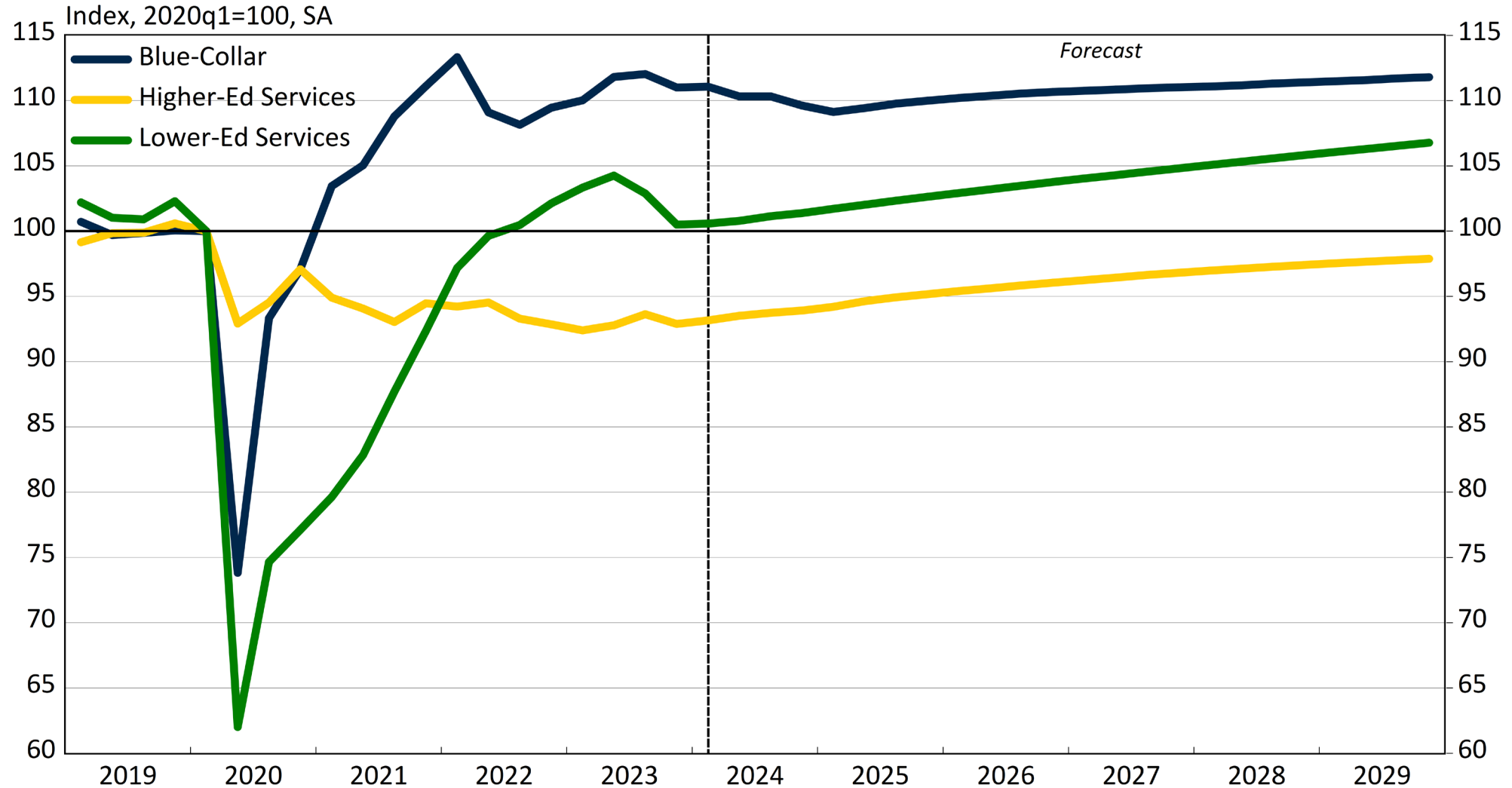
- About \$200 billion/year of personal and corporate tax cuts starting in 2026
- Tariffs on imports from China will jump in 2026, eventually ~triple from 2024 level
  - Larger increase than enacted February 4<sup>th</sup>, but starting later
  - No significant/lasting new tariffs on the rest of the world
- Slower pace of interest rate cuts going forward
  - Terminal rate range of 3.25–3.5%, the Fed gets there by mid-2026
- Historic deficits outside of the recent pandemic, World War II, the Great Recession
  - Federal NIPA deficit widens to 6.8 percent of GDP in fiscal 2026 and 2027

# Quarterly Average Payroll and Resident Employment, City of Detroit

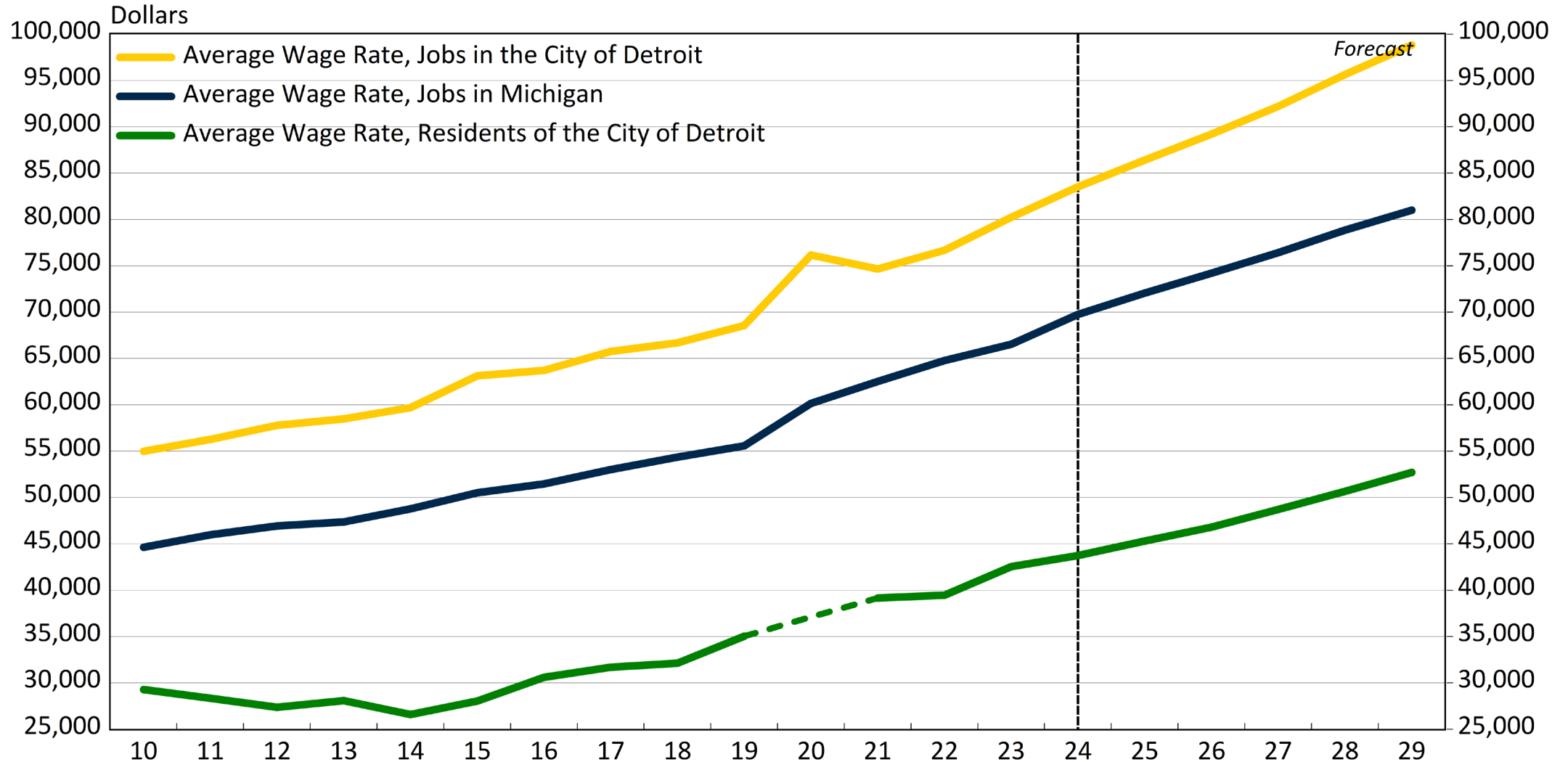




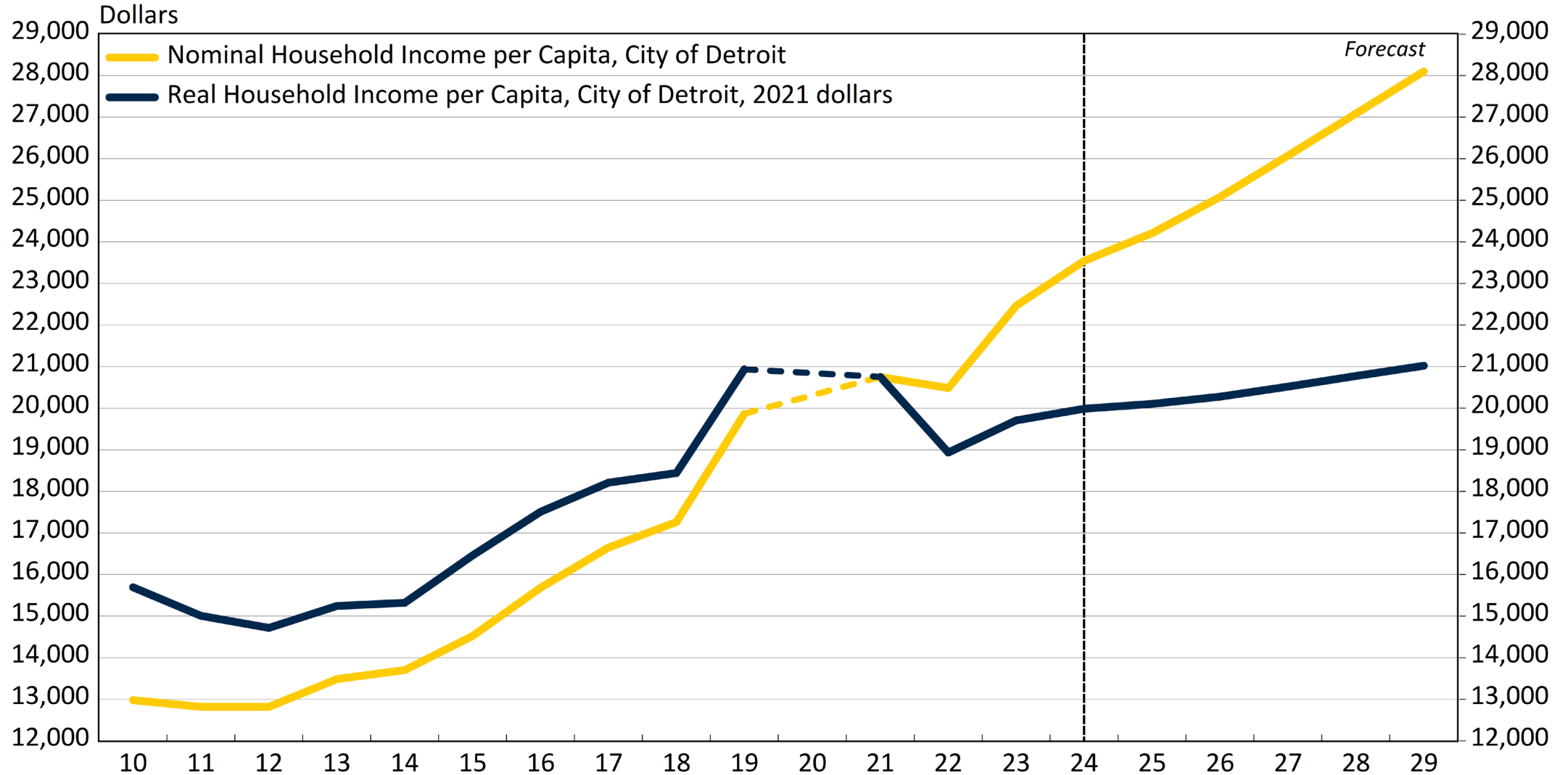
# City of Detroit Employment by Industry Group



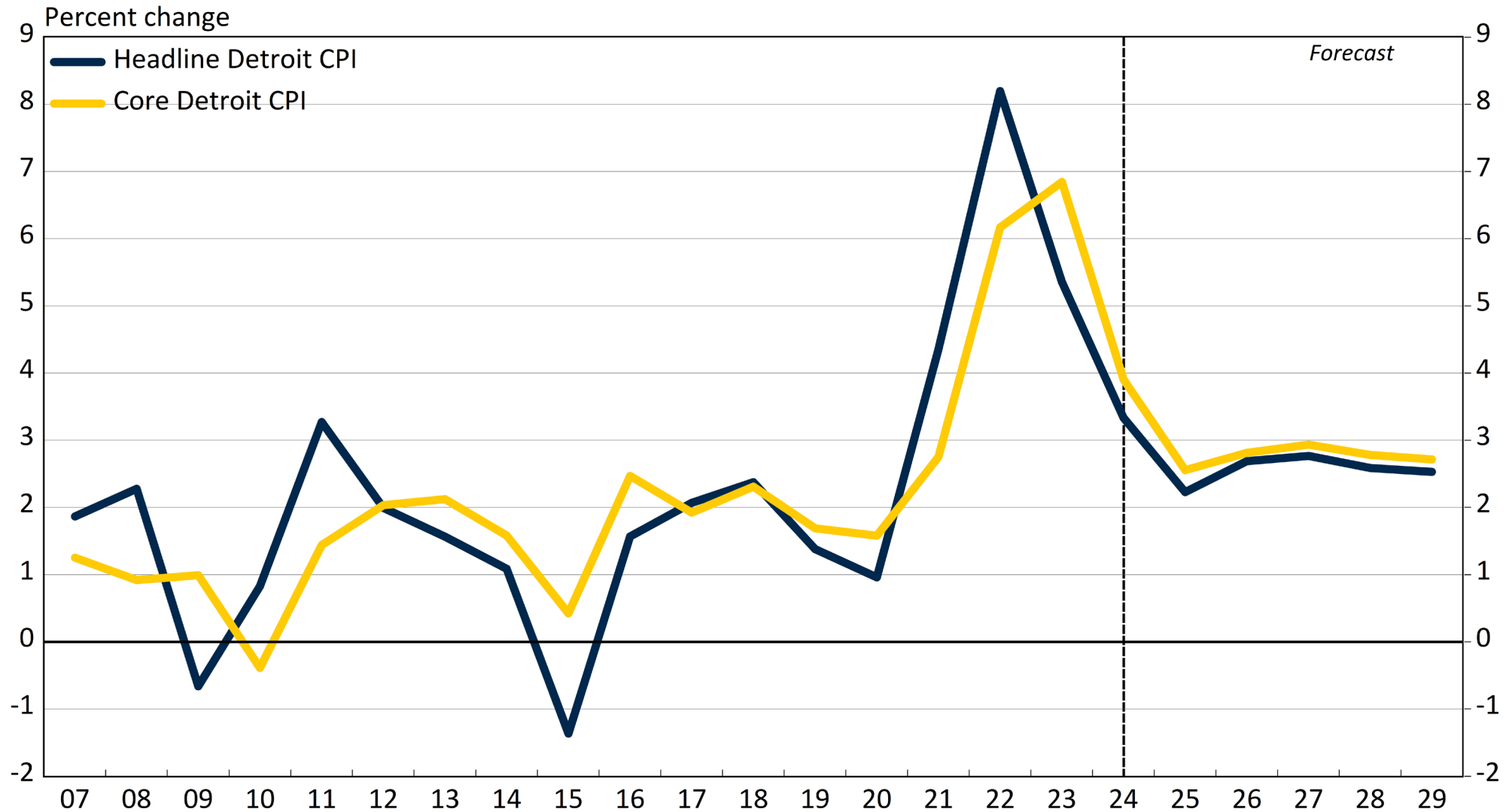
# Annual Wage and Salary Income per Worker, City of Detroit and Michigan



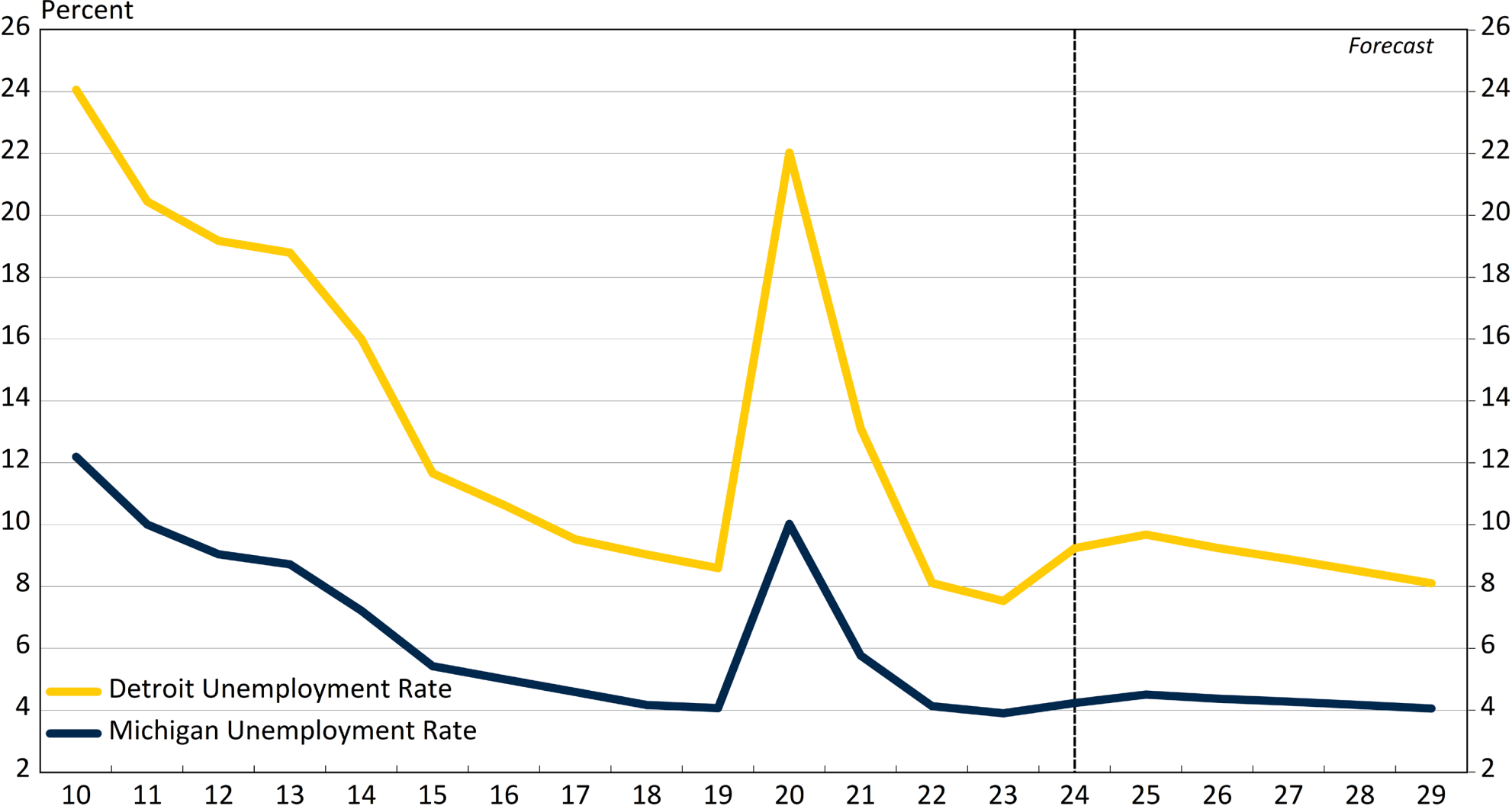
# Real and Nominal Income per Capita, City of Detroit



# Annual Inflation Rate, Detroit CPI



# Annual Unemployment Rates, City of Detroit and Michigan





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