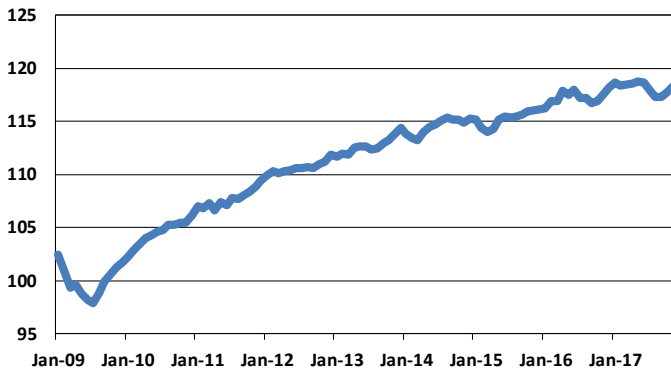


Michigan Economic Activity Index

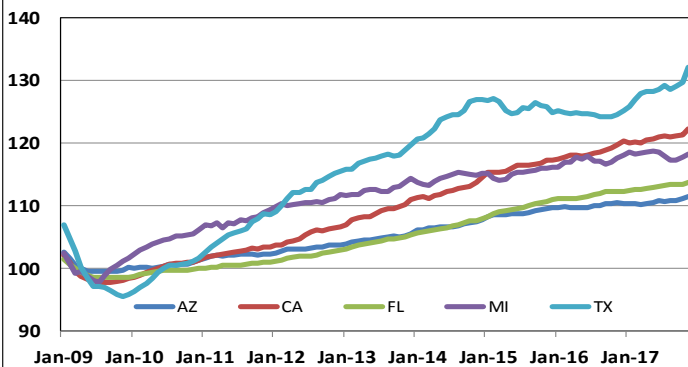
	<u>Value</u>	<u>% Change</u>
November 2017	118.3	0.4
October 2017	117.8	0.4

**All data has been adjusted for seasonality and changes in price.*

Michigan Index Historical Values



5 State Index Historical Values



Comerica Bank's Michigan Index Up Again

Comerica Bank's Michigan Economic Activity Index increased by 0.4 percent in November to a level of 118.3. November's reading is 20 points, or 21 percent, above the index cyclical low of 97.9. The index averaged 117.3 points for all of 2016, two points above the index average for 2015. October's index reading was 117.8.

Comerica Bank's Michigan Economic Activity Index increased again in November. The Michigan Index has now posted two consecutive monthly gains, following a mid-2017 stall. Eight of the nine factors were positive in November including nonfarm payrolls, unemployment insurance claims (inverted), housing starts, house prices, auto production, total state trade, hotel occupancy and state sales tax revenues. Industrial electricity demand was negative for the month. Michigan nonfarm payroll growth moderated in 2017 and posted the weakest annual gain since 2010. The state's labor market is getting less of a lift from its manufacturing sector. Total Michigan manufacturing jobs were up just one percent on average over the past two years. U.S. auto sales finished 2017 on a positive note with help from hurricane-related replacements in Texas, Florida and elsewhere. While we expect to see auto sales ease in 2018, we do not expect to see a steep decline. Instead, we look for another year of above-average auto sales with solid domestic demand anchored by U.S. job creation, high consumer confidence, relatively low borrowing costs, an aging U.S. auto fleet and stimulus from tax reform. Ongoing strong auto production would sustain the state's economy through 2018, along with an improving service sector. The NAFTA negotiations are a risk factor for the state. We expect the Michigan economy to post moderate growth in 2018.

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Michigan Economic Activity Index



Indicator	Nov-16	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Nonfarm Payroll Employment (Thousands)	4,358	4,387	4,390	4,397	4,402	4,410
<i>Percent Change</i>		0.0%	0.1%	0.2%	0.1%	0.2%
Continuing UI Claims (Weekly Average)	61,892	60,117	61,418	61,471	60,250	58,792
<i>Percent Change</i>		0.3%	2.2%	0.1%	-2.0%	-2.4%
Housing Starts (Annualized Rate)	20,679	20,958	19,820	19,426	21,230	22,103
<i>Percent Change</i>		-11.1%	-5.4%	-2.0%	9.3%	4.1%
House Price Index (Jan 2000=100)	97.7	102.2	102.4	102.4	102.6	102.9
<i>Percent Change</i>		-0.2%	0.1%	0.0%	0.2%	0.3%
Industrial Electricity Sales (Millions, KwHr)	2,497	2,442	2,471	2,523	2,519	2,512
<i>Percent Change</i>		1.0%	1.2%	2.1%	-0.1%	-0.3%
Auto Assemblies (Millions of Units, Annualized Rate)	11.9	10.6	10.3	10.2	10.5	10.6
<i>Percent Change</i>		-4.9%	-2.6%	-1.0%	2.8%	0.9%
Total Trade (Millions, 2009 USD, Annualized Rate)	174,073	177,367	174,434	171,597	171,022	174,784
<i>Percent Change</i>		-1.0%	-1.7%	-1.6%	-0.3%	2.2%
Hotel Occupancy Index (2009=100)	129.5	129.9	129.3	129.5	129.4	129.9
<i>Percent Change</i>		-1.1%	-0.4%	0.1%	-0.1%	0.4%
Sales Tax Revenue (Millions, 2009 USD)	556.5	591.5	579.2	579.6	576.4	580.4
<i>Percent Change</i>		2.6%	-2.1%	0.1%	-0.6%	0.7%
Total Index	117.6	117.9	117.3	117.3	117.8	118.3
<i>Percent Change</i>		-0.6%	-0.5%	0.0%	0.4%	0.4%

(Seasonally Adjusted, 3-Month Moving Average)

Explanatory Note:

The Michigan Economic Activity Index consists of nine variables, as follows: nonfarm payroll employment, continuing claims for unemployment insurance, housing starts, house price index, industrial electricity sales, auto assemblies, total trade, hotel occupancy and sales tax revenue. All data are seasonally adjusted. Nominal values have been converted to constant dollar values. Index levels are expressed in terms of three-month moving averages.

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