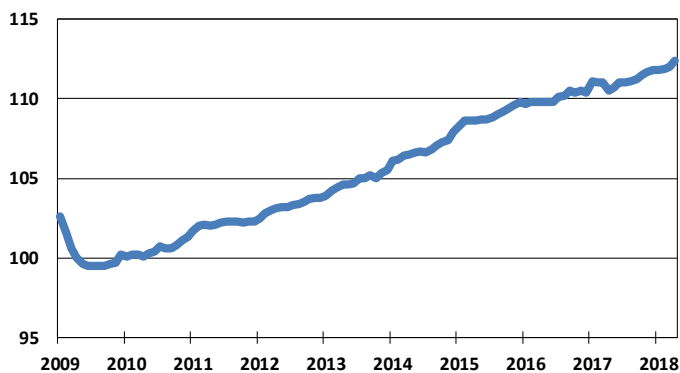


## Arizona Economic Activity Index

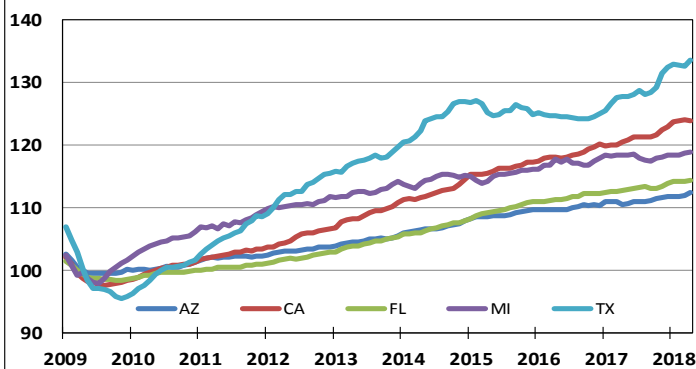
	<u>Value</u>	<u>% Change</u>
<b>April 2018</b>	<b>112.4</b>	<b>0.4</b>
<b>March 2018 (Revised)</b>	<b>112.0</b>	<b>0.1</b>

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

**Arizona Index Historical Values**



**5 State Index Historical Values**



## Comerica Bank's Arizona Index Trends Up

Comerica Bank's Arizona Economic Activity Index increased 0.4 percentage points in April to a level of 112.4. April's index reading is 13 points, or 13 percent, above the index cyclical low of 99.5. The index averaged 111.1 points for all of 2017, one point above the average for 2016. The March index reading was revised to 112.0.

The Comerica Bank Arizona Economic Activity Index improved again in April, now up for the third consecutive month. Five out of nine index components were positive in April including nonfarm payrolls, house prices, total state trade, hotel occupancy and state taxable sales. The four negative components for the month were unemployment insurance claims (inverted), housing starts, industrial electricity consumption and enplanements. The Arizona economy continues to trend up in the first half of 2018, anchored by recent momentum in the state's labor market. Employment which is the strongest indicator of state economic activity was up again in April and May. The state has now added 40,000 jobs in the first five months of 2018, which is the strongest start to a year since 2006. Job gains are concentrated in the Phoenix metropolitan area which has recorded 19 consecutive months of job growth. The labor market in southern Arizona still remains weaker than in past cycles, but it is improving. The Tucson metropolitan area has now posted two consecutive monthly job gains in April and May. The strong growth seen in northern Arizona is driving demand for houses and keeping inventories of houses for sale tight. According to the Arizona Regional Multiple Listing Services, the months' supply of homes for sale in the Phoenix area ticked down to a very low 2.1 months in May. Tight supply will support new construction projects this year.

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# Arizona Economic Activity Index



Indicator	Apr-17	Dec-17	Jan-17	Feb-18	Mar-18	Apr-18
Nonfarm Payroll Employment (Thousands)	2,755	2,793	2,797	2,804	2,812	2,819
<i>Percent Change</i>		<b>0.0%</b>	<b>0.1%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>
Continuing UI Claims (Weekly Average)	28,273	26,214	25,764	25,468	25,153	25,334
<i>Percent Change</i>		<b>-1.7%</b>	<b>-1.7%</b>	<b>-1.2%</b>	<b>-1.2%</b>	<b>0.7%</b>
Housing Starts (Annualized Rate)	37,886	41,772	43,656	43,693	44,257	43,813
<i>Percent Change</i>		<b>0.9%</b>	<b>4.5%</b>	<b>0.1%</b>	<b>1.3%</b>	<b>-1.0%</b>
House Price Index (Jan 2000=100)	149.1	152.7	153.1	153.9	155.0	156.0
<i>Percent Change</i>		<b>0.1%</b>	<b>0.2%</b>	<b>0.5%</b>	<b>0.7%</b>	<b>0.7%</b>
Industrial Electricity Sales (Millions, KwHr)	1,179	1,101	1,134	1,155	1,149	1,135
<i>Percent Change</i>		<b>0.6%</b>	<b>3.0%</b>	<b>1.9%</b>	<b>-0.5%</b>	<b>-1.2%</b>
Total Trade (Millions, 2009 USD, Annualized Rate)	36,649	38,161	38,252	38,160	39,059	40,239
<i>Percent Change</i>		<b>0.3%</b>	<b>0.2%</b>	<b>-0.2%</b>	<b>2.4%</b>	<b>3.0%</b>
Hotel Occupancy Index (2009=100)	121.6	126.3	125.2	123.9	122.8	124.2
<i>Percent Change</i>		<b>0.1%</b>	<b>-0.9%</b>	<b>-1.0%</b>	<b>-0.9%</b>	<b>1.2%</b>
State Taxable Sales (Millions, 2009 USD)	5,406	6,182	6,159	6,209	6,229	6,333
<i>Percent Change</i>		<b>-0.4%</b>	<b>-0.4%</b>	<b>0.8%</b>	<b>0.3%</b>	<b>1.7%</b>
Enplanements Index (2009=100)	116.4	117.8	118.4	118.6	118.9	118.7
<i>Percent Change</i>		<b>0.6%</b>	<b>0.6%</b>	<b>0.1%</b>	<b>0.3%</b>	<b>-0.2%</b>
<b>Total Index</b>	110.5	111.8	111.8	111.9	112.0	112.4
<i>Percent Change</i>		<b>0.1%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.4%</b>

**(Seasonally Adjusted, 3-Month Moving Average)**

## Explanatory Note:

The Arizona 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, total trade, hotel occupancy, state taxable sales and total enplanements. 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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